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ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES

Report by the Director-General

Summary

In response to Industrial Development Board decision IDB.8/Dec.5, reports on action taken to strengthen economic and technical cooperation among developing countries including the UNIDO contribution towards the implementation of the Buenos Aires Plan of Action.

CONTENTS

	Paragraphs	Page
Introduction	1 - 2	1
Chapter		
I. IMPLEMENTATION OF BOARD DECISION IDB.8/DEC.5	3 - 18	1
II. IMPLEMENTATION OF BUENOS AIRES PLAN OF ACTION	19 - 38	3
III. ACTION REQUIRED OF THE BOARD	39	6
Notes		6

Introduction

1. The present document is submitted in compliance with Industrial Development Board decision IDB.8/Dec.5 calling for a number of actions aimed at strengthening economic and technical cooperation among developing countries (ECDC/TCDC) and requesting a report on the implementation of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries. 1/

2. The medium-term plan of UNIDO, 1992-1997 (PBC.7/17) has singled out ECDC/TCDC as an element common to industrial development to be addressed by all activities of UNIDO. Consequently, ECDC/TCDC components are pervasive in all programmes of UNIDO, especially with respect to the five priority areas of the medium-term plan, namely: human resource development; development and transfer of technology; industrial rehabilitation; small- and medium-scale industry development; and environment and energy.

I. IMPLEMENTATION OF BOARD DECISION IDB.8/DEC.5

3. Since the adoption of decision IDB.8/Dec.5, UNIDO continued its programme in support of ECDC/TCDC. Information on the activities carried out is provided in the Annual Report of UNIDO, 1991 (IDB.9/10). The information presented summarizes those activities in the areas highlighted in Board decision IDB.8/Dec.5.

Use of experts, services and equipment from developing countries (IDB.8/Dec.5, para. (c))

4. In the course of 1991, a total of 777 experts originating from developing countries were recruited under technical cooperation projects. They represent 29 per cent of all experts/consultants appointed during the same period. By and large, these figures are within the overall trend observed during the past years, both in absolute and relative terms, of placing the share of developing countries' nationals in UNIDO project personnel at approximately 30 per cent. This is well above the 25 per cent target referred to in the Board decision. Similarly, as of 31 December 1991, 4,290 or 34 per cent of all roster candidates were nationals of developing countries (cf. IDB.9/10, chap. VII, paras. 18-26 and table 6).

5. The total value of equipment and supplies delivered for technical cooperation projects in

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1991 was $36 million. That amount represented 2,651 individual orders of which 674 or 25.4 per cent were placed with manufacturers and vendors from developing countries to a value of $7.1 million or 19.7 per cent (Ibid., para. 27 and table 8).

6. The number of new contracts issued for technical cooperation projects increased by nearly 12 per cent, from 204 in 1990 to 228 in 1991. During the year, 87 contracts (38.1 per cent) with a total value of $3 million (16.4 per cent) were awarded to companies from developing countries (Ibid., para. 28 and table 8).

Funds allocated to ECDC/TCDC activities (IDB.8/Dec.5, para. (e)(i))

7. The decision of the Board called for an increase of funds to be allocated to ECDC/TCDC activities from the operational budget, which consists of two components. The first component refers to the resources obtained from reimbursements to the cost of supporting operational activities (also known as support cost income). These resources, together with the regular budget, provide the funds for the UNIDO headquarters-based staff and activities. The second and wider component refers to all funds related to the actual expenditures of technical cooperation activities.

8. In line with the review of the cost identification system in UNIDO (PBC.6/12) endorsed by the Programme and Budget Committee, and the changes in the UNDP support costs reimbursement system, the support costs income will be increasingly applied to the actual services related to the technical cooperation activities that generate that income. Under this principle, it is no longer possible to allocate support cost income to a subprogramme that is not substantially involved in the implementation of technical cooperation projects.

9. The possibility of increasing the allocation of operational budget funds to a subprogramme such as ECDC/TCDC is within the second component of the operational budget, namely the resources from UNDP/ Indicative Planning Figure (IPF), the Industrial Development Fund (IDF), the Special Industrial Services (SIS) and trust funds. However, even under this component the only resources that are programmable by UNIDO are the very limited general pool of IDF because the other resources are programmed largely by recipient countries (IPF) or by donors (IDF, trust funds).

10. Under the 1992-1993 programme and budgets (GC.4/42), ECDC activities (subprogramme 336) are covered by both the regular and operational budgets. Funds are also provided for cooperation among developing countries (subprogramme 610) under the regular programme of technical cooperation which, for the 1992-1993 biennium, amounts to $829,100 (GC.4/42, page 202). These special allocations do not constitute all of UNIDO's efforts regarding its ECDC/TCDC activities. Wider programmes are defined in paragraphs 62 to 68 of the introduction to the 1992-1993 programme and budgets which cover the following types of activities: collection and dissemination of information; establishment and/or development of institutional linkages for ECDC; enterprise-to-enterprise cooperation; and identification and allocation of greater resources for ECDC-related technical cooperation. The implementation of these activities involves staff resources under operational budget financing.

11. As can be seen from the above, the only way to increase funds for ECDC/TCDC activities would be for Governments to allocate more of their IPF or special-purpose IDF resources to this priority.

Allocation of extrabudgetary resources (IDB.8/Dec.5, para. (e)(v))

12. ECDC/TCDC represents one priority area for activities under IDF financing. However, the majority of contributions to IDF are for special-purpose programmes and projects, which require specific negotiation with the donors. Since 1990, an increase has been noted in IDF resources earmarked for regional and global programmes (cf. IDB.9/10, chap. VIII, para. 17 and appendix G, table 4). Continuous efforts are being undertaken with IDF donors with a view to increasing financing of ECDC/TCDC activities by IDF donors.

Enhancement of promotional and operational activities (IDB.8/Dec.5, para. (e)(ii)

13. UNIDO has continued to enhance its ECDC/TCDC activities with a view to promoting enterprise-level cooperation in general and in specific sectors such as chemical, petrochemical, leather, machine tools, agricultural machinery, agro-based and engineering industries. Efforts have also been made to promote operational TCDC in provision of equipment and expertise, in study tours on specific subjects and training. The recent promotional activities are covered by the 1991 Annual Report, in particular:

(a) The Solidarity Meeting for Botswana which covered a wide variety of sectors and where most of the local promoters came from the private sector. During the bilateral discussions, the potential cooperating parties identified measures with respect to follow-up action to be taken jointly by the potential cooperating parties (cf. IDB.9/10, chap. IV, para. 17).

(b) The joint venture meeting on cooperation among Islamic countries organized as part of the ongoing programme of cooperation between UNIDO and the Islamic Chamber of Commerce, at which a total of 22 Memoranda of Understanding were signed among the cooperating partners (ibid., para. 18).

(c) The four technical workshops for promoting enterprise-to-enterprise cooperation held on the topics of: machine tools, process technology of petrochemical industries, agricultural machinery and agro-based industries (Ibid., para. 20). Preparations for another five such workshops/meetings have been initiated to cover the following topics: medicinal plants, plastics industry, metalworking, synthetic fibre and petrochemical industries.

(d) A third expert group meeting on computerized maintenance management systems (CMMS) for the iron and steel industries of the Association of South-East Asian Nations (ASEAN) which was held in Singapore in December 1991 and at which some 40 participants from eight developing countries met to exchange views and experiences (cf. IDB.9/10, chap. II, para. 96).

14. The operational TCDC activities resulting from the promotional meetings are numerous. They are described in various parts of the Annual Report of UNIDO, 1991, and examples are provided in chapter IV, paragraphs 20 to 22.

15. Special TCDC arrangements were also discussed with individual countries, e.g. Brazil and India. Thus, at the third meeting of the Joint Brazil-UNIDO Committee it was agreed to pursue the transfer of Brazilian agro-industry know-how to the Central American and Caribbean countries. India, on the other hand, agreed to establish a unit to survey and document its TCDC capacities with a view to promoting their use to the benefit of other developing countries.

Capacities of developing countries in training, expertise and technology (IDB.8/Dec.5, para. (e)(iii))

16. The ability of UNIDO to transfer technological information from one developing country to another was considerably enhanced by the Industrial and Technological Information Bank networking system. The system developed linkages and communications with end-users and supported them to enhance their capability in handling industrial information. The network of nodes and focal points is being interlinked via electronic mail systems (cf. IDB.9/10, chap. III, paras. 24-27).

17. Under the programme to develop an ECDC information service, equipment was installed for the UNDP-developed information referral system (INRES-South) database containing developing countries' institutional capabilities in training and expertise. At the request of UNIDO, work was completed on adapting the software to allow compilation and printing of special compendiums. Agreement was reached with UNDP to add a technology dimension to the system, thereby rendering it more suited to the needs of UNIDO. At the same time, countries with significant industrial TCDC capacities in the form of training and expertise have been requested to document their capabilities in a form compatible with the INRES-South database.

Cooperation with regional commissions (IDB.8/Dec.5, para. (e)(iv))

18. UNIDO continued to maintain and further strengthen its cooperation with all the regional commissions in the implementation of programmes and activities in the respective regions. UNIDO has also involved the regional commissions in preparing and organizing meetings, seminars and workshops. Thus close cooperation was established with the Economic and Social Commission for Asia and the Pacific in organizing the agricultural machinery meeting in China in 1991, and the Economic Commission for Africa was actively involved in the establishment of the African Iron and Steel Association.

II. IMPLEMENTATION OF BUENOS AIRES PLAN OF ACTION (IDB.8/Dec.5, para. (f))

19. The United Nations Conference on Technical Cooperation among Developing Countries held at Buenos Aires in 1978 adopted the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries. The Conference considered TCDC as a vital force for initiating, designing, organizing and promoting collaboration among developing countries to create, acquire, adopt, transfer and pool knowledge and experience for their mutual benefit and for achieving national and collective self-reliance.

20. In accordance with recommendation 37 of the Buenos Aires Plan of Action, a high-level meeting of representatives of all States participating in the United Nations Development Programme should be convened by the Administrator of UNDP and entrusted by the General Assembly to carry out a periodical review of TCDC within the United Nations system. In response to that recommendation, the High-level Committee on the Review of Technical Cooperation among Developing Countries was subsequently set up, the seventh session of which, held in May 1991, undertook a comprehensive review of TCDC, based on the experience gained over the 13 years since the adoption of the Buenos Aires Plan of Action. UNIDO has, since its inception, participated in and contributed to the periodic reviews undertaken by the Committee.

21. The Buenos Aires Plan of Action called for the contributions of the United Nations development system to TCDC. Since the adoption of the Plan of Action, UNIDO policy-making organs have adopted resolutions and decisions regarding the contribution of UNIDO for promoting and implementing TCDC. Measures undertaken in response to those directives have resulted in: creation of a section in the Secretariat entrusted with the responsibility of promoting, implementing and coordinating such activities; inclusion in the programme and budgets of UNIDO of a subprogramme covering ECDC/TCDC outputs and activities; allocation of a part of the regular programme of technical cooperation for ECDC/TCDC programmes and projects; an increased contribution to ECDC activities from in-house units concerned, i.e. System of Consultations, Industrial Investment Promotion and Industrial Human Resource Development; greater involvement of the Investment Promotion Service offices and UNIDO Country Directors in identifying and promoting new opportunities for TCDC; and adoption, by the fourth session of the General Conference in its resolution GC.4/Res.11, of the framework for the UNIDO-wide ECDC/TCDC programme (GC.4/7). In addition to the activities referred to in paragraphs 13 to 15 above, further activities undertaken by UNIDO, including strengthening developing countries' capacities for TCDC, promotional and operational activities and human resource development, are described below.

Strengthening developing countries' capacities for TCDC

22. Activities aimed at strengthening developing countries' capacities for TCDC have included the establishment or strengthening of regional and interregional networks, joint programmes and regional centres for specific sectors covering industrial cooperation in energy (small hydropower, industrial energy management, solar energy research, new and renewable sources of energy), metallurgical industries (sponge iron production, computerized management maintenance systems, core metallurgical industries, training and information services), engineering industries (standardization, quality control and metrology, agricultural machinery, microelectronics), chemical industries as well as industrial and

technological information (Industrial and Technological Information Bank - INTIB, Technological Information Exchange System - TIES).

23. Cooperation with Brazil, Bulgaria, Czechoslovakia, Hungary, India, Poland, Romania, Turkey and Yugoslavia in carrying out UNIDO activities, in particular in the Africa region, has contributed towards strengthening developing countries' capacities for TCDC. Of particular importance are the programmes covering industrial training, agricultural machinery repair and maintenance, food-processing industry, metallurgy, shipbuilding, chemical and petrochemical industry and pharmaceuticals sectors. Memoranda of Understanding concluded with Member States and cooperation established with non-governmental organizations provide a useful framework for joint activities which, inter alia, contribute to the promotion of TCDC.

24. The programme for the Industrial Development Decade for Africa (IDDA) focused on support to regional and subregional organizations in their efforts to promote economic integration in Africa and economic cooperation among developing countries. In that respect, UNIDO support will be reflected in the industrial protocol of the Treaty Establishing the African Economic Community. Based on a project initiated with the financial support of the French Government and financed from IDDA resources, a decision was taken in December 1991 at Algiers concerning the setting up of the African Iron and Steel Association. The establishment of such an association will greatly contribute to promoting cooperation among African countries in the iron and steel sector.

25. Activities leading to the building up and/or strengthening of national core teams of potential trainers of technology transfer negotiations are a major component of the Technological Information and Exchange System (TIES). The African TIES project, which was approved under the IDDA programme in 1990, covered topics such as upgrading of institutional capabilities, regional cooperation and human resource development through the joint collaboration of UNIDO, the African Regional Centre for Technology (ARCT) and the more advanced technology transfer offices. Based on recommendations of the African TIES meeting held in December 1989 at Accra, Ghana, a large-scale project was launched on integrated assistance to African countries and on human resource development in the field of technology acquisition and negotiation, with the focus on agro-based and related industrial sectors. For a number of years, assistance continued towards capability building in transfer of technology offices in Ghana, Nigeria and Tunisia. With a view to enhancing the negotiating power of developing countries vis-à-vis technology suppliers from developed countries, an inventory of African experts in areas of industry, science and technology was drawn up in cooperation with ARCT and the Organization of African Unity.

26. With regard to appropriate technologies, a UNIDO Forum on Appropriate Industrial Technology for Africa, held at Dakar, Senegal, in 1989, gave participants from 38 countries the opportunity of sharing their experience and examining possibilities for future joint action in relation to the sectors of food processing, agricultural machinery and fisheries. In cooperation with the Federal Institute of Industrial Research, Lagos, and the African Regional Centre for Engineering Design and Manufacturing, a technology has been successfully developed for gari processing in small units and therefore suitable for rural areas. The technology is being promoted in a number of African countries (Cameroon, Ghana, Sierra Leone, Togo and Zaire) with funding from IDDA and UNDP. Assistance has been provided to the Economic Community of Central African States, the Preferential Trade Area for Eastern and Southern African States and the Central African Customs and Economic Union in order to strengthen their industrial cooperation programmes.

27. The UNIDO Regional Cooperation Programme for the Industrial Recovery of Latin America and Caribbean contains specific projects with significant TCDC potential that have been developed or are in the process of being promoted. These include a project on industrial subcontracting that involves the participation of 13 Latin American countries. The project aims at strengthening national subcontracting systems and the establishment of a regional network of subcontracting exchanges and relies on: a common methodology for subcontracting exchanges; a common industrial classification and terminology; use of software towards the processing of data; and a system of communications between national offices. Another project, in which 10 countries are participating, addresses the issue of industrial automation of the capital goods industry. In addition to assisting capital goods producers in their rehabilitation and modernization efforts through modern technologies and management techniques, it also provides training, institutional support and technological research and development. A meeting on Computerized Maintenance Management in the Iron and Steel Industry held in Mexico in 1991 in cooperation with the Instituto Latinoamericano del Fierro y el Acero offered industrialists the possibility to get acquainted with the latest achievements in CMMS and with UNIDO's capacities/capabilities for introducing and adapting CMMS to regional conditions.

28. In the Asia and Pacific region, UNIDO is implementing a number of projects that have implications for promoting TCDC such as: computerized management maintenance systems (CMMS) in metallurgical industries in member countries of ASEAN; harmonization of ASEAN industrial standards; regional networks on agricultural machinery and on pesticides; and a regional workshop on testing and evaluation of new materials, building materials, and automotive emissions control measures and standards. UNIDO has also assisted in the creation of a regional low-cost information network in the field of technology transfer for cooperation among member countries of ASEAN.

29. In the Arab region, cooperation has concentrated on joint programmes and projects with regional and subregional organizations, especially those which are part of the Organization of the Islamic Conference, such as the Islamic Foundation for Science and Technology and the Islamic Centre for Development of Trade. Various workshops have been organized in cooperation with the Arab Industrial Development and Mining Organization in specific sectors (food industry, industrial information and documentation, maintenance of textile machinery) through which national

institutions improved their capacities for identification, design and implementation of TCDC projects.

Promotional and operational activities

30. Since 1979, UNIDO has organized 17 solidarity ministerial meetings to facilitate cooperation in the industrial development of the following least developed countries: Afghanistan, Bangladesh, Botswana, Burkina Faso, Burundi, Cape Verde, Ethiopia, Guinea, Haiti, Lesotho, Mali, Mauritania, Nepal, Rwanda, Sudan, United Republic of Tanzania and Yemen. In recent years, the solidarity meetings concentrated on small and medium-sized projects in both public and private sectors, and on a limited number of sectors (mainly agro-based industries). With the participation of potential cooperating partners from the more advanced developing countries, this type of meeting has contributed to the identification of needs and offers for TCDC and resulted in the conclusion of preliminary agreements on the implementation of various industrial projects mainly through training, consultancy, technical expertise, study tours and transfer of technology. The main burden for the implementation of those projects - as with all TCDC projects - rests with the participating countries themselves. However, UNIDO has contributed in some cases to follow-up activities to the solidarity meetings.

31. Industrial cooperation among developing countries has been actively supported through the organization of a large number of workshops on the subject, meetings on enterprise-to-enterprise cooperation, promotion of joint ventures and seminars on cooperative arrangements. The workshops/meetings helped the participants to identify and agree on forms and types of cooperation such as exchange of experience, expertise and training opportunities and provision of equipment. By way of illustration, the following sectors were covered: machine tools (China, India, Morocco), agricultural machinery (Algeria, Argentina, China), utilization of medicinal plants (China, Turkey), chemical and petrochemical industry (Egypt, Turkey), agro-based industries (Brazil, China, Turkey, Yugoslavia), mechanical, electronics and informatics (Tunisia) and general industrial sectors (Cameroon, India, Republic of Korea).

32. The UNIDO Consultations frequently conclude with specific recommendations for cooperation among developing countries at regional and interregional levels. The Consultations on fertilizers, petrochemicals, leather and leather products, vegetable oils and fats and iron and steel have been a regular source of TCDC proposals. Based on recommendations emanating from a Consultation on the fertilizer industry, UNIDO prepared a three-year programme for that field to promote exchange and transfer of experience, cooperation in design and manufacture of equipment, machinery and spare parts, cooperation in construction of fertilizer plants, and joint ventures to exploit fertilizer raw materials. An inventory was prepared covering specific training needs and capabilities in the field of fertilizers in selected countries. A UNIDO technical consultation meeting for developing countries on biogas technology recommended that UNIDO use its TCDC programme to organize visits among biogas experts, assist in the exchange and dissemination of technical information and facilitate the provision and use of training facilities in developing countries for use by other developing countries.

Human resource development

33. In the field of industrial training, UNIDO has identified a large number of training centres in the developing countries and has continued to support and strengthen their training capacities and capabilities so as to enable them to provide training programmes not only for local personnel but also for nationals from other developing countries in the region and/or subregion. In 1991, 42 of the 65 UNIDO training programmes were held in developing countries. During the last four years, study tours and group training for developing countries have been arranged with the following host countries: Algeria, Bangladesh, Benin, Brazil, Bulgaria, China, Côte d'Ivoire, Czechoslovakia, Egypt, Ethiopia, Hungary, India, Indonesia, Jordan, Kenya, Mauritius, Mexico, Nigeria, Pakistan, Philippines, Poland, Republic of Korea, Romania, Singapore, Sri Lanka, Tunisia, Turkey, United Republic of Tanzania, Uruguay, Yugoslavia and members of the Andean Group. In 1990, for example, 10 regional and interregional in-plant group training programmes took place in China, Czechoslovakia, Egypt, Malawi, Turkey and Zimbabwe and covered topics such as: diesel engines, cement, sugar, iron and steel, fruit and vegetable processing industries, small-scale foundry industry, maintenance of railway track, industrial energy conservation and computerized management systems.

34. With a view to strengthening existing training institutions in Africa, a survey was undertaken of training capacities in countries of the Western, Central and Eastern and Southern African regions. As part of the programme for IDDA, advisory services were provided for designing and establishing an information system for training needs and opportunities in Madagascar. The Portuguese-speaking African countries took part in a project financed under the IPF of Portugal aimed at the training of local trainers in production and finance management and strengthening of existing training capacities and capabilities of Angola, Cape Verde, Guinea-Bissau, Mozambique and Sao Tome and Principe.

35. In 1991, through a fellowship programme implemented by UNIDO in cooperation with a Turkish oil company, experts from Algeria, Egypt and Jordan improved their knowledge in the petrochemical industry.

36. In the Asia and Pacific region, the Regional Network for Agricultural Machinery organized a number of training programmes for the purpose of promoting TCDC. In the framework of the Regional Network on Pesticides for Asia and the Pacific, TCDC activities cover such areas as market surveys and data collection, survey of raw materials available within the region, pesticides formulation technology for quality control and residue analysis. Six pulp and paper institutes also implemented training and R and D activities among developing countries in the region.

37. As a result of UNIDO's TCDC activities, many national institutions in developing countries were established or strengthened. Institutions in China, India, Kenya, Morocco, Philippines, Turkey, Zambia and Zimbabwe are among the major providers of training for other countries.

Findings on TCDC

38. While acknowledging the progress made over the past decade in TCDC, the Group of Governmental Experts on the rules, regulations and procedures of the organizations of the United Nations development system concerning technical cooperation among developing countries, 2/ during its 1990 meeting, identified six main areas where constraints to TCDC were faced by the United Nations, namely: awareness of the potential of TCDC; information on TCDC usefulness and applicability; attitudes towards TCDC; focal points' role and contribution; financing TCDC programmes and projects; and policies and procedures in approving and implementing TCDC activities. Subsequently, the Group recommended actions to be undertaken at the government level and by the United Nations system (see DP/1990/77, chapters II and III). UNIDO, like other United Nations organizations, has been faced with similar constraints in promoting and implementing TCDC activities.

III. ACTION REQUIRED OF THE BOARD

39. The Industrial Development Board may wish to take note of the present report.

Notes

1/ Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August - 12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum).

2/ The Group of Governmental Experts was established in compliance with decision 6/3 of the High-level Committee on the Review of Technical Cooperation among Developing Countries. The report of the Group of Governmental Experts (DP/1990/77) was endorsed by the Governing Council of UNDP (June 1990) and taken note of in its decision 7/1 by the High-level Committee at its seventh session (A/46/39) (May 1991).

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ELECTRONIC DATA-PROCESSING PROGRAMME

Report by the Director-General

Summary

In compliance with General Conference decision GC.4/Dec.18, paragraph (h), reports on the programme and cost of implementing the recommendations of Touche Ross Management Consultants and of the External Auditor, as contained in documents GC.4/CRP.1 and GC.4/50.

Page

Annex I. STATUS OF ACTION TAKEN ON PRIMARY RECOMMENDATIONS OF TOUCHE ROSS MANAGEMENT CONSULTANTS 2

Annex II. STATUS OF ACTION TAKEN ON RECOMMENDATIONS OF THE EXTERNAL AUDITOR . . . 5

Annex III. COST OF IMPLEMENTATION OF EDP PROGRAMME - 1992 7

1. The General Conference, in its decision GC.4/Dec.18, inter alia, took note of the updated report by the External Auditor on the electronic data-processing (EDP) system (GC.4/50), of the follow-up report by the Director-General on the recommendations of the External Auditor (GC 4/48) and of the final report of Touche Ross Management Consultants (GC.4/CRP.1). In paragraph (h) of that decision the Conference requested a report from the Director-General on the programme and cost of implementing the recommendations of the consultants and of the External Auditor as contained in their respective reports (GC.4/CRP.1 and GC.4/50). The present report addresses that request by providing in annexes I and II the status of action taken with respect to the recommendations of the consultants and of the External Auditor.

2. Both sets of recommendations referred to the need for an external consultancy to carry out a second phase of the strategic automation plan for information systems needs and priorities. Terms of reference for a consultancy to that effect, including detailed criteria for technical evaluation, were evaluated by the Information Technology Steering Committee and recommended by the Committee in November 1991 for implementation. The requested services are in the form of assistance to the Secretariat for a strategic analysis phase, the development of an organization-wide data model and the preparation of an implementation plan based on priorities endorsed by the Committee. They also include assistance in selecting an information systems development methodology and tools as well as related training of technical staff. A contract was awarded to Andersen Consulting to carry out phase two of the strategic automation plan based on those terms of reference. The cost of phase two, $260,000, is covered by allocations from the budgets for 1990-1991 and 1992-1993.

3. Annex III shows the 1992 costs of implementing the computerization programme. In cases where it is possible to specify the cost of implementing recommendations of the consultants and of the External Auditor, that information is indicated in the relevant portions of annexes I and II. In some instances, for example the establishment of codes for distributing charges or activities of the Information Technology Steering Committee, the cost of acting on related recommendations cannot be precisely specified at this time as the implementation of many of the recommendations is in progress. Total costs will not exceed amounts budgeted for EDP-related expenditure.

4. In paragraph (i) of decision GC.4/Dec.18, the General Conference requested the Director-General to keep Member States fully apprised of the EDP programme by quarterly briefings and informal notes. The first such briefing, covering the first quarter of 1992, was held on 6 March 1992, and provided orally much of the information contained in annex I to the present report.

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Annex I

STATUS OF ACTION TAKEN ON PRIMARY RECOMMENDATIONS OF TOUCHE ROSS MANAGEMENT CONSULTANTS [a/]

PRIMARY RECOMMENDATIONS	CURRENT STATUS
1. There is a need for a systematic review of procedures within UNIDO. This review must come about from a management initiative and cannot be led by EDP. There is too much duplication of effort and too much reliance on paper-based methods. (8.1.2)	1. As part of the second phase of the strategic automation plan, a review is currently under way. The Department of Administration is streamlining its procedures with primary focus on eliminating duplication of effort and reducing paper flow. Constructive revisions would have a direct impact on procedures currently in use in substantive Departments, warranting the reorganization of administrative support work in those areas.
2. Charge codes for use of computer time should be set up, at a level low enough to ensure the collection of meaningful statistics, to be used as the basis for charging users. (8.1.1)	2. A system of codes has been established; data is being collected to form a basis for charging users for computer time.
3. An information technology steering group should be created. This group should ensure that distraction of EDP from their main task is minimized. (8.1.1)	3. The Information Technology Steering Committee was established on 29 October 1991 (UNIDO/DG/B.148, GC.4/50/Add.1, para. 7) and meets regularly. A number of recommendations have been made to the Director-General on substantive issues related to the EDP programme.
4. The information technology steering group should identify and sanction any proposed changes to packages. (8.1.3)	4. Only cost reductions have been achieved to date. No acquisitions have yet been considered.
5. Extensive training of EDP will be required in the use of new methods and tools. (8.1.3)	5. As part of the second phase of the plan, an information systems development methodology (and corresponding tools) have been selected and staff members with the consultants are in the process of being trained. In addition, as recommended by Touche Ross, ADABAS/NATURAL training is taking place. (cost of training: $61,600)
6. Further investment in current systems should be avoided. Maintenance of existing systems must be restricted to changes which are absolutely essential, even if this will undoubtedly lead to dissatisfaction in the user community. The commitment of management is vital to maintain the support and understanding of the user community during this difficult period. (8.1.3)	6. The priorities for systems development and maintenance are currently being analyzed as part of phase two of the plan. A recommendation to reach a balance of resources devoted to new projects and enhancement of existing systems will be presented to the Information Technology Steering Committee for consideration. User community needs will remain the foremost consideration during transition.

a/ References in the column "Primary recommendations" refer to sections of the final report of Touche Ross (GC.4/CRP.1).

7. The use of package application software should be viewed as a primary source of new systems. (8.1.3) The option of obtaining a suitable package should be considered first and, only after dismissing this possibility should the option of developing in-house be considered. (8.3.1) Packages should only be chosen where the amount of customization needed can be kept to a minimum. (8.3.1) Changes to packages should be kept to a minimum and reflect only changes which are essential. (8.1.3)	7. The use of package application software vs. customized applications development is also part of the current work of the second phase. Due to the specialized requirements of applications, however, it is envisaged that selection of package application software will be limited. All decisions will be subject to cost benefit analysis. In addition, constraints imposed by limited funds for software package acquisition will restrict these selections during the current biennium.
8. If FINSYS/PERSYS of FAO is put in place and modifications are needed, these should be contracted out, together with future maintenance, to a third party software house rather than build another skill set within UNIDO. (8.3.1)	8. Not yet ready for a decision. Preliminary discussions with FAO have indicated substantial financial and staffing impacts as well as the advisability of further experience within FAO prior to a secure transfer attempt.
9. Parallel running is essential in the transitional period of testing a new system. Both users and EDP have to support and operate both systems. This requires an increased amount of effort from all parties. (8.1.3)	9. With the development of new applications, parallel runs will be necessary. However, the use of a systems development methodology and CASE tools may reduce the amount of parallel effort required.
10. EDP will need to have in place a formal process for managing development projects, analyzing user requirements and for turning the requirements into quality applications. (8.2) For this, the PRINCE methodology should be used and PRINCE project boards put in place. (8.2.1) UNIDO should acquire a project management tool, running on a PC, to assist in the control of projects. (8.2.1) UNIDO should acquire a methodology to provide EDP with a clear structure for development and give a list of tasks to be performed at each stage in the systems development life-cycle: strategic systems planning, tactical systems planning, systems analysis and logical design, selection of packages, building of custom-written systems, systems implementation. Automated tools should also be acquired to support the analysis and design stages (CASE tools). (8.2.2)	10. As a result of the second phase, a methodology similar to PRINCE has been selected which incorporates a process for managing development projects. This methodology incorporates the same principles plus a project management component, i.e. without the need to acquire a separate product. The methodology is supported by a set of CASE tools.
11. DB2, CSP, AS, C, FORTRAN, Oliver and the VM products should be cancelled. ADABAS and NATURAL should become the strategic data base products of UNIDO. (8.3.1, appendix II)	11. DB2, CSP, AS, C and the VM products have been cancelled. The exception of FORTRAN and Oliver were cleared by Touche Ross. Training of staff in ADABAS and NATURAL is taking place in order to turn these into the strategic base products.
12. No further new development work should be carried out using ADS1. (8.3.1)	12. The ADS1 software package will continue to be used only in conjunction with existing applications. Functional replacement based on an extension of ADABAS is foreseen for new projects.

13. Better communications with the field need to be put in place. In the long-term, if and when it can be cost-justified, computer-based communications can be considered. (8.1.1)	13. Usage of the International Computing Centre Geneva has been strongly recommended to users. The European Academic Research Network is currently available to UNIDO staff. Enhancement of field communications is also part of the second phase and is subject to the availability of funds.
14. The cabling programme should be resumed with the wiring of six floors in 1992-1993 and the remainder in 1994-1995. Priority should be given to those floors with greatest needs. (8.3.2)	14. A contract was signed at the end of 1991 for the wiring of two priority floors (cost: $105,660, included in the budget for the current biennium). The expansion of the cabling system commenced in the fourth quarter of 1991 and will continue in 1992 (cost: $108,000). A 1993 cabling programme will be considered by the Information Technology Steering Committee later in 1992.
15. PCs in EPL/LD must be connected by means of a LAN. (8.3.2) The WANG VS processors should be phased out in approximately two years. (8.3.2, 8.3.3)	15. Phasing out of Wang can be contemplated once sufficient funds are available for the acquisition of hardware required for full conversion to WordPerfect. This will constitute a significant cost within the programme. Cost estimates will not be available until detailed specifications and competitive bidding have been completed.
16. To remove the WANG systems it will be necessary to adopt a standard of WordPerfect across UNIDO. (8.3.3)	16. Preparatory work will start in 1993. Project completion funds are contemplated in the 1994-1995 budget as forecasted.
17. PCs with WordPerfect must be provided to all staff who rely upon WANG for word processing. (8.3.3) Adequate training in WordPerfect must be provided. (8.3.3)	17. WordPerfect is being proposed as the standard word processing software. Training in WordPerfect is being provided.
18. The acquisition of 90 PCs per biennium should go a long way towards satisfying UNIDO's needs. (8.3.2)	18. In the MIS budget for 1992-1993 funds are available for 75 complete sets (PC-printer-software-connection) (estimate cost: $377,000). A re-allocation exercise was promulgated by the Information Technology Steering Committee and will be completed within the Departments. A number of PCs are to be used as spares to compensate for the reduced maintenance contracts support, in line with Touche Ross recommendations (GC.4/CRP.1).

Annex II

STATUS OF ACTION TAKEN ON RECOMMENDATIONS OF THE EXTERNAL AUDITOR [a/]

PRIMARY RECOMMENDATIONS	CURRENT STATUS
1. A system should be established to spread all EDP non-staff costs among different user Departments. (12, 45, 46)	1. As a first step towards a cost distribution system, the Secretariat has established a system of codes to record mainframe processing usage according to specific applications and users by Department, Division and Section. Pending the implementation of an information systems development methodology (see recommendation 2 below), the Secretariat will be in the position to distribute EDP-related staff costs for systems development and maintenance (possibly in 1993). The methodology, which will include a project management component, will require the recording of staff time associated with the development and maintenance of a system and would also include mechanisms to hold users or potential users accountable for their requests.
2. There is a need for other external consultancy services in order to proceed with implementation of the more technical Touche Ross recommendations as well as for other technical and organizational issues. (15, 39, 61)	2. Owing to time constraints imposed on Touche Ross Management Consultants, their recommendations regarding information systems needs, priorities and the ensuing implementation schedule necessarily contemplated a second phase of the strategic automation plan. The status of phase two of the plan is explained in paragraph 2 of the present document.
3. A disaster recovery plan should be worked out which would enable both UNIDO and the IAEA to mutually provide a backup computer installation at no additional costs. (16, 62-65)	3. A disaster recovery plan was drafted under the facilities management contract with IBM, and an arrangement with IAEA to provide mutual backup for critical applications in case of a major disaster is foreseen. Negotiations have taken place with IAEA and arrangements will be continued pending an operating system upgrading at IAEA following their recent installation of new hardware. First test runs for limited service have been performed, and project completion is expected in 1992.

a/ References in the column "Primary recommendations" refer to paragraphs in the report of the External Auditor (GC.4/50).

	Under the new facilities management contract IBM provides a reduced portable version of the system software, which will be updated monthly, for use in case of disaster.
4. An information technology steering group should be established. (17, 66-70)	4. Status provided in recommendation no. 3, annex I.
5. A system for managing, controlling and auditing automation projects should be introduced. (18, 71-75)	5. Recommendations made by the Working Group of Independent Experts for the introduction of a specific methodology for the management, control and auditing of information systems projects were also reflected in the final report of Touche Ross Management Consultants (GC.4/CRP.1, section 8.2.1). A system that achieves the objectives laid down by Touche Ross is included in the integrated information systems development methodology being selected during phase two of the strategic automation project and will be applied to future projects.

Annex III

COST OF IMPLEMENTATION OF EDP PROGRAMME - 1992

(In US dollars at US$ 1 = AS 12.90)

	1992 allotments (1)	Disbursements 1/1 - 29/2/92 (2)	Obligations (3)	Expenditure (2+3) = (4)	Balance (1-4) = (5)
Staff costs	1,865,400	277,155	-	277,155	1,588,245
Income	(140,200)	-	-	-	(140,200)
Mainframe					
Hardware	853,200	-	853,116	853,116	84
Software	693,200	-	632,848	632,848	60,352
Operation and maintenance	1,057,300	-	1,057,300	1,057,300	-
Office automation					
Hardware	566,100	-	270,047	270,047	296,053
Software	50,000	-	-	-	50,000
Maintenance	349,600	1,997	167,393	169,390	180,210
Other					
Supplies and materials	239,500	284	78,637	78,921	160,579
Network	192,400	-	57,637	57,637	134,763
External computer costs	35,000	-	35,000	35,000	0,00
Training	128,100	14,429	82,184	96,613	31,487
Consultancy support	100,000	-	65,000	65,000	35,000
Software development	77,500	-	400	400	77,100
Income	(160,000)	-	-	-	(160,000)
	5,907,100	293,865	3,299,562	3,593,427	2,313,673

Notes

1. Allotments represent the 1992 portion of 1992-1993 appropriations excluding inflation on non-staff costs.

2. Obligations include contractual commitments for 1992. Disbursements against obligations will commence in March 1992.

3. Income will be charged in March 1992 for the first quarter.

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ELECTRONIC DATA-PROCESSING PROGRAMME

Report by the Director-General

Addendum

Summary

In compliance with decision GC.4/Dec.18 of the General Conference, reports on the amounts of all contractual commitments concerning the EDP programme, from 1 January 1992 onwards. Provides, in table 1 of the annex, an update of the cost of EDP programme implementation for 1992.

Annex

Table — Page

1. Cost of 1992 implementation, as at 30 April 1992 — 2

2. Contractual commitments, January - April 1992 — 3

1. The General Conference, in its decision GC.4/Dec.18, inter alia, urged the Director-General to report to the Programme and Budget Committee at its eighth session on the amounts of all contractual commitments concerning the electronic data-processing (EDP) programme, from 1 January 1992 onwards.

2. Table 1 of the annex to the present document reflects the costs of implementing the EDP programme in 1992 and table 2 gives a detailed breakdown of EDP-related contractual commitments. Most of the contracts are for 12 months or are open-ended. These yearly or open-ended contracts may be terminated with advance notice of one to three months to the supplier. Contracts covering the mainframe lease extend through 30 June 1994, while the contract for the mainframe software expires on 31 December 1994. A number of contracts covering the lease of personal computers continue until 31 December 1993.

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Annex

COMPUTERIZATION PROGRAMME OF UNIDO

Table 1

Cost of 1992 implementation, as at 30 April 1992

(In US dollars at US$ 1 = AS 12.90)

	1992 allotments (1)	Disbursements 1/1-30/4/92 (2)	Obligations (3)	Expenditure (2 + 3) (4)	Balance (1 - 4) (5)
Staff costs	1,865,400	580,817	18,563	599,380	1,266,020
Income	(140,200)	(51,971)	-	(51,971)	(88,229)
Mainframe					
Hardware	853,200	289,745	563,380	853,125	75
Software	693,200	223,093	396,937	620,030	73,170
Operation and maintenance	1,057,300	264,326	792,974	1,057,300	-
Office Automation					
Hardware	566,100	85,866	203,351	289,217	276,883
Software	50,000	-	139	139	49,861
Maintenance	349,600	117,367	171,266	288,633	60,967
Other					
Supplies and materials	239,500	1,352	79,276	80,628	158,872
Network	192,400	10,295	61,433	71,728	120,672
External computer costs	35,000	5,370	29,630	35,000	-
Training	128,100	32,032	78,465	110,497	17,603
Consultancy support	100,000	-	65,062	65,062	34,938
Software development	77,500	-	400	400	77,100
Income	(160,000)	-	-	-	(160,000)
Total	5,907,100	1,558,292	2,460,876	4,019,168	1,887,932

Notes

1. Allotments represent the 1992 portion of 1992-1993 appropriations excluding inflation on non-staff costs.

2. Obligations include contractual commitments for 1992.

Table 2.

Contractual commitments, January - April 1992

(In US dollars at US$ 1 = AS 12.90)

Contract number	Supplier	Description	Period	1992	1993	1994	1995	TOTAL
92/319	IBM	Mainframe leasing	07/02/89-30/06/94	790,698	790,698	2,435,594	-	4,016,990
92/295	IBM	Software licence	07/02/89-31/12/94	456,205	456,205	456,205	-	1,368,615
92/303	IBM	Facilities Management	01/07/90-31/12/94	1,057,302	1,057,302	1,057,302	-	3,171,906
92/300	IBM	Token ring network	07/02/89-31/12/94	14,056	14,056	14,056	-	42,168
92/230	IBM	Computer manuals	01/01/92-31/12/92	9,690	-	-	-	9,690
92/318	Olivetti	Leasing of 100 PCs	01/10/89-30/09/93	100,279	75,209	-	-	175,488
92/291	Olivetti	Leasing of printers	01/10/89-30/09/93	60,694	45,520	-	-	106,214
92/345	Olivetti	Maintenance and repair of Olivetti PCs	01/01/92-29/02/92	26,849	-	-	-	26,849
92/284	Wang	Leasing of PCs and printers	01/03/90-28/02/94	70,750	70,750	11,790	-	153,290
92/292	Dataservice	Lease of PCs	01/04/89-31/05/93	15,005	5,660	-	-	20,665
92/321	MBA	Lease of PCs	12/12/89-31/12/93	16,477	16,477	-	-	32,954
92/302	Rank Xerox	Maintenance/copier/ RX4090 printer	01/07/90-open-ended	62,065	-	-	-	62,065
92/224	Rank Xerox	Rental/maintenance/ copier RX4050 printer	01/01/91-open-ended	97,387	-	-	-	97,387
92/327	Rank Xerox	Rental - 2x4046 printer	04/04/89-open-ended	6,716	-	-	-	6,716
92/320	Rank Xerox	EPIC and HFDL software maintenance	01/12/89-open-ended	2,944	-	-	-	2,944
92/346	Rank Xerox	Cost of prints for laser printers	01/01/92-31/12/92	34,884	-	-	-	34,884
92/347	Rank Xerox	Maintenance of laser printers	01/01/92-31/03/92	7,581	-	-	-	7,581
92/348	Rank Xerox	Maintenance of laser printers	01/01/92-31/03/92	800	-	-	-	800
92/299	Candle	Omegamon software maintenance	01/07/89-open-ended	22,419	-	-	-	22,419
92/306	Computer Associates	Librarian MVS software maintenance	04/12/89-open-ended	22,133	-	-	-	22,133
92/288	APT	Oliver software maintenance	11/12/89-open-ended	6,089	-	-	-	6,089
92/307	SAS Heidelberg	SAS Base System and utilities	01/04/90-open-ended	50,090	-	-	-	50,090
92/245	SAS Heidelberg	Computer manuals	01/01/92-31/12/92	4,884	-	-	-	4,884
	Sub-total			2,935,997	2,531,877	3,974,947	-	9,442,821

Table 2 (continued)

Contract number	Supplier	Description	Period	1992	1993	1994	1995	TOTAL
92/296	Software AG	ADABAS maintenance	28/12/89-open-ended	45,888	-	-	-	45,888
92/246	Software AG	Computer manuals	01/01/92-31/12/92	4,806	-	-	-	4,806
92/231	General Electric	Geisco service	01/01/92-31/12/92	15,504	-	-	-	15,504
92/248	Gammag	Maintenance and repair Wang master CPUs	01/01/92-31/12/92	52,656	-	-	-	52,656
92/248	Gammag	Wang software support	01/01/92-31/12/92	13,029	-	-	-	13,029
92/307	IAEA	Computer usage	07/02/89-open-ended	4,651	-	-	-	4,651
92/229	IAEA	Maintenance of LTCs	01/01/92-31/12/92	7,643	-	-	-	7,643
92/229	IAEA	Rental of LTCs	01/01/92-31/12/92	10,060	-	-	-	10,060
92/297	University of Vienna	EARN participation	01/01/92-31/12/92	7,442	-	-	-	7,442
92/309	International Computing Centre, Geneva	Participation	01/01/92-31/12/92	31,000	-	-	-	31,000
92/311	Telerate	Financial market information	01/01/92-31/12/92	6,880	-	-	-	6,880
92/314	PTT	Rental and use of line	01/01/92-31/12/92	1,163	-	-	-	1,163
92/232	PTT	Rental and use of line	01/01/92-31/12/92	19,690	-	-	-	19,690
92/233	Radio Austria	Rental and use of line	01/01/92-31/12/92	1,163	-	-	-	1,163
92/234	PTT	Rental and use of line	01/01/92-31/12/92	9,302	-	-	-	9,302
92/235	Radio Austria	Rental and use of line	01/01/92-31/12/92	2,326	-	-	-	2,326
92/236	PTT/Radio Austria	Rental and use of line	01/01/92-31/12/92	349	-	-	-	349
92/237	PTT	Rental and use of line	01/01/92-31/12/92	698	-	-	-	698
92/212	Prager Consult	Training	01/01/92-30/06/92	96,613	-	-	-	96,613
92/251	Andersen Consulting	Consultancy	Dec.1991-31/12/92	65,000	-	-	-	65,000
92/349	TSG	Maintenance/repair of UNIDO computer equipment	01/01/92-31/03/92	56,203	-	-	-	56,203
92/339	Alcatel	Leasing of 12 PCs	01/01/92-31/05/92	5,863	-	-	-	5,863
92/350	Maschinda	Maintenance of bar code reader (UNIDO portion)	01/01/92-31/12/92	914	-	-	-	914
	TOTAL			3,394,840	2,531,877	3,974,947	-	9,901,664

Abbreviations

CPU Central processing unit
LTC Local terminal controller
PC Personal computer

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CONDUCT OF BUSINESS AND RATIONALIZATION OF PROCEEDINGS

Streamlining the work of the policy-making organs

Note by the Secretariat

Summary

Discusses the background of and the issues relating to streamlining the work of the policy-making organs and presents proposals for achieving that streamlining.

CONTENTS

	Paragraphs	Page
Introduction	1 - 4	1
Chapter		
I. PROPOSALS FOR STREAMLINING THE REPORTING TO POLICY-MAKING ORGANS	5 - 12	2
II. ACTION REQUIRED OF THE BOARD	13	3

Introduction

1. At the fourth session of the Industrial Development Board (1988), general concern was expressed regarding the lengthening list of agenda items and the increasing volume of documentation with which the Board was being confronted at each session since UNIDO became a specialized agency. At the same time the Board recognized the need for a more fruitful discussion and effective substantive consideration of the major issues of industrial development requiring solution for developing countries. The Board thus decided to entrust an open-ended working group with the task of examining ways of improving the conduct of business and of further rationalizing the proceedings of the forthcoming meetings of the Board, with a view to permitting a thorough and concrete discussion of the issues (decision IDB.4/Dec.3).

2. The recommendations of the working group on the subject were endorsed by the Board at its fifth session (1989) when it also decided to start applying them with immediate effect and to look at the matter again in 1993 (decision IDB.5/Dec.46).

3. At its eighth session (1991), the Board noted with concern that since drawing up those recommendations: (a) the number of items on the agendas of the Board had continued to increase drastically throughout the biennium 1990-1991, leaving little time for a substantive discussion of many important agenda items; (b) it had been impossible to avoid a repetition of items in the agendas during the biennium; and (c) the amount of pre-session documentation had significantly increased as a consequence of overloaded agendas, thus rendering proper preparation virtually impossible. The Board decided to discuss that issue in greater depth, with a view to possibly amending some of the recommendations at its ninth session (decision IDB.8/Dec.43). Information on the experience gained by the Secretariat in applying those recommendations will be provided to the Board in a conference room paper.

4. In the context of the medium-term plan, 1992-1997, the General Conference in its resolution GC.4/Res.26 also put forward recommendations for streamlining the work of the policy-making organs and the Board was called upon to examine ways and means of achieving the implementation of those recommendations in its work. In particular, the Conference decided that, on a trial basis, reporting on selected programme and policy issues under consideration by the policy-making organs would be integrated in a

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consolidated report of the Director-General to be updated and to be distributed in chapters as soon as ready. The present note presents some proposals to the Board in that respect.

I. PROPOSALS FOR STREAMLINING THE REPORTING TO POLICY-MAKING ORGANS

5. In line with the recommendations contained in resolution GC.4/Res.26, reporting on programme and policy issues for the next two years would have to be based on the presentation of the medium-term plan, 1992-1997 (PBC.7/17), and the documentation would have to be organized in the form of a single volume divided into chapters into which the material presented to the Board and the Conference would be gradually fed in the course of a biennium.

6. Based on the priority problem areas and common elements of the medium-term plan (PBC.7/17, chap. I) as well as the policy issues and major categories of programme instrument (PBC.7/17, chap. II and III), the following would be the headings of the chapters of the proposed single volume:

1. Major themes
   - (a) Human resource development
   - (b) Development and transfer of technology
   - (c) Industrial rehabilitation
   - (d) Small- and medium-scale industries
   - (e) Environment and energy
   - (f) Mobilization of financial resources for industrial development
   - (g) Economic cooperation among developing countries and subregional industrial cooperation
   - (h) Integration of women in industrial development
2. The regional dimension
3. Studies and research
   - (a) Studies and research for industrial strategy and policy formulation
   - (b) Action-oriented studies and research for policy and programme implementation
4. Policy forums
5. Industrial promotion
   - (a) Industrial investment promotion
   - (b) Industrial technology promotion
6. Information services
7. Technical cooperation
   - (a) Programme development and management
   - (b) Project operations
8. Inter-agency coordination
9. Policy management
10. Programme support

7. The Secretariat is already reporting on all the activities of the Organization for a given year in one single volume - the Annual Report of UNIDO - which is considered by Member States to be the most important document of the Organization (see IDB.5/Dec.46, annex, para. 9). When the Board meets late in the year, i.e. when it holds a second regular session for the year (see IDB.5/Dec.46, annex, para. 2), the Secretariat prepares a succinct update of the Annual Report only on those subjects for which the Board has requested a progress report or for which significant developments have taken place between the issuance of the Annual Report and the session of the Board (see IDB.5/Dec.46, annex, para. 9). This update is presented in the same sequence as the chapters of the Annual Report.

8. Except for the Annual Report and progress reports mentioned in the above paragraph, the approach of presenting all the substantive documentation by chapters of one single consolidated report would not be practical for the following reasons:

(a) The reporting in a single document divided into chapters would be expected to lead to a coherent text, making easier reading for the user. However, for most of the topics, various types of reports are requested from the Secretariat:

(i) Progress reports (e.g. for the current session IDB.9/10, Add.1 and 2, IDB.9/2, IDB.9/6)

(ii) Reports on specific aspects of a programme (e.g. for the current session IDB.9/3, IDB.9/11, IDB.9/14, IDB.9/7, IDB.9/8, IDB.9/12)

(iii) Proposals for future activities submitted to the Board for approval (e.g. for the current session IDB.9/15, IDB.9/5)

All the reports under (i) and some of those under (ii) would provide coherent reading if combined under a single document. However, the reports under (iii) - and even some under (ii) - might be approved, rejected or amended by the Board. They might therefore provide a distorted picture if presented in one single document, unless the decisions of the Board are also fed into such a document.

(b) The preparation of each chapter would involve many different programmes and subprogrammes. The drafting would thus require much more time than is usually the case with the current type of reporting, when the documents are being gradually (and often simultaneously) processed and translated. The proposed reporting by chapters would thus entail significant delays in the processing, translation and thus in the distribution to Member States.

9. As decided by the General Conference in resolution GC.4/Res.2 adopted at its fourth session, future annual reports are to incorporate the programme performance report on the basis of a new format of the programme and budgets, which is being applied for the first time to the biennium 1992-1993 (GC.4/42). In accordance with that

format, the presentation of the next Annual Reports (1992 and 1993) will be based on the major programmes 100 to 800 listed in the table of contents of document GC.4/42, i.e.:

1. Policy-making organs
2. General management
3. Programme and project development
4. Industrial promotion, Consultations and technology
5. Industrial operations
6. Common programmes
7. External relations, public information, language and documentation services
8. Administration

10. If all substantive documentation for a given biennium were to be grouped under major headings, it might be useful for the reader if the groupings corresponded to the major programmes and subprogrammes approved in the programme and budgets for that biennium, particularly since those programmes and subprogrammes are based on the medium-term plan. Thus, for the years 1992-1993, all documentation could be presented under the eight major programmes mentioned above. Likewise the agendas of the policy-making organs could be presented under the headings of those major programmes, e.g. for the current session items 4, 6 to 11, 14 and 16 of the provisional agenda could have been presented as follows:

- General management:

  Subprogramme 216 - UNIDO policies, including energy

- Programme and project development:

  Subprogramme 321 - UNIDO Country Director programme
  Subprogramme 336 - Economic co-operation among developing countries
  Subprogramme 341 - Structure of world industrialization from the long-term perspective

- Industrial promotion, Consultations and technology:

  Programme 420 - Industrial investment
  Programme 430 - System of Consultations
  Programmes 440, 450 - Development and transfer of technology

- Industrial operations:

  Major programme 500 - Technical co-operation activities in 1991

- Administration:

  Subprogramme 812 - Electronic data-processing programme.

This presentation would make it easier for the user to keep information files on the developments under each programme/subprogramme.

11. In order to focus on specific priority themes of the medium-term plan in the current biennium, the Board may wish to include two or three of those themes in the agenda of each session. The Secretariat could then prepare a special report on the activities undertaken for the relevant priority areas and common elements under the various programmes and subprogrammes. This task would be facilitated by the fact that programmatic frameworks for each of the five priority problem areas and three common elements in the medium-term plan would be available to the policy-making organs. Of the programme frameworks, the UNIDO programme and plan of action for the integration of women in industrial development was endorsed by the General Conference at its third session and the environmental programme was approved by the Board at its sixth session, while the energy programme is scheduled for submission to the Board at its ninth session. It is planned to present all programme frameworks to the legislative bodies prior to the biennium 1994-1995. Drawn up in late 1991 and early 1992 and using a standard format, the frameworks provide a more detailed description of the Organization's response through a programme structure that includes the development objectives and mandate of the programmes, their priorities and target groups, the individual subprogrammes and the corresponding outputs and activities. The programme frameworks are meant not only to help mobilize additional extrabudgetary resources and translate priorities into operational activities, but also to provide a basis for reporting and evaluating the substantive activities of the Organization.

12. Should the Board prefer to introduce a new reporting system based fully on the themes of the medium-term plan, it would be advisable to streamline the headings listed in paragraph 6 above to avoid duplication in the reporting. It would also be necessary to decide on the sequence and grouping of the priorities to be considered.

II. ACTION REQUIRED OF THE BOARD

13. The Board may wish to consider the following proposals:

(a) To organize its agenda on the basis of the major programmes and subprogrammes of the programme and budgets and propose a similar presentation for the provisional agenda of the fifth session of the General Conference;

(b) To concentrate its discussions on the Annual Report of the Organization; and

(c) To include in the agenda of each session the consideration of a special report on two to three of the priority problem areas and common elements of the medium-term plan.

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SYSTEM OF CONSULTATIONS

Measures to enhance the System of Consultations

Report by the Director-General

Summary

In compliance with Board decision IDB.8/Dec.33 and General Conference resolution GC.4/Res.16, paragraph (d), reports on the implementation and assesses the impact of the recommendations of the evaluation of the System of Consultations; also provides preliminary information on the possibility of combining Consultations with investment promotion meetings and increasing participation of industrial partners in Consultations.

CONTENTS

	Paragraphs	Page
Introduction	1 - 3	1
Chapter		
I. ACTIONS TAKEN TO IMPLEMENT THE RECOMMENDATIONS OF THE EVALUATION OF THE SYSTEM OF CONSULTATIONS	4 - 17	1
II. ANALYSIS OF THE POSSIBILITY OF COMBINING CONSULTATIONS WITH INVESTMENT PROMOTION MEETINGS AND THE MODALITIES OF INCREASING INDUSTRIAL PARTNERS IN CONSULTATIONS	18 - 21	3
III. ACTION REQUIRED OF THE BOARD	22 - 23	3

Introduction

1. The evaluation of the System of Consultations took place from October 1988 to May 1989 and its findings and recommendations were presented in document ODG.8(SPEC.). The comments by the Director-General and views of Member States on the conclusions and recommendations of the evaluation are contained in document GC.3/20. The General Conference at its third session took note of the recommendations and the proposed plan of implementation in its resolution GC.3/Res.2.

2. The Industrial Development Board at its eighth session in decision IDB.8/Dec.33 (para. (g)) requested the Director-General to improve the actions called for in General Conference resolution GC.3/Res.2 on the evaluation of the System of Consultations and requested him to report on the progress made in the implementation of those actions. The Director-General was also requested to examine the possibility of combining the activities of Consultations and investment promotion as well as the modalities of increasing the participation of industrial partners in Consultations.

3. Subsequently, the General Conference in resolution GC.4/Res.16, paragraph 1(d), requested the Director-General to assess the implementation and impact of the recommendations of the evaluation of the System of Consultations and to report on those assessments to the General Conference at its fifth session through the Board at its ninth session.

I. ACTIONS TAKEN TO IMPLEMENT THE RECOMMENDATIONS OF THE EVALUATION OF THE SYSTEM OF CONSULTATIONS

4. The recommendations of the evaluation of the System of Consultations centred on three key points: (a) the System of Consultations is eminently suited to providing a major contribution to the development and formulation of UNIDO's policies and programmes in specific subsectors and common topics; (b) the System should become better integrated in the main activities of UNIDO, by

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establishing closer cooperation with other in-house units; and (c) the follow-up to the results of Consultations should be pursued in a more systematic manner.

5. The integration of the System of Consultations with the other programmes and activities of the Secretariat has made considerable progress through the establishment of the Advisory Committees representing a cross-section of the Secretariat as well as through the formulation of an elaborated plan of action for implementing the recommendations of the Consultations and assigning the responsibilities to designated bodies. During the period 1991 to 1992, Advisory Committees for the Consultations on fisheries, capital goods, wood and wood products, industrial rehabilitation/restructuring, building materials and petrochemicals contributed towards the respective preparatory activities. Members of the Committees also participated at these Consultations.

6. In addition, the System of Consultations has established close contacts and interactions with various Divisions of the Secretariat, in particular with the Area Programmes, Investment Promotion, Industrial Technology Promotion and relevant Divisions of the Industrial Operations Department for the preparation and follow-up of the Consultations. Those Divisions play an active role at the Consultation meetings.

7. The only sector with an established panel of experts is the leather industry, and the panel has been an important factor in the development of an integrated technical cooperation programme in that sector. The establishment of similar panels has been proposed for other sectors such as the sugar industry, food production and agro-chemicals as well as non-ferrous metals; however, their implementation has been delayed due to lack of financial resources for that purpose. The establishment of these panels remains a high priority in the work programme of the System of Consultations in anticipation of the provision of the necessary funding.

8. As a result of financial constraints and in line with the recommendations of the evaluation, the number of formal preparatory meetings has been scaled down. The preparatory activities have thus relied more on in-house cooperation including inputs from the Advisory Committees.

9. As mentioned in the findings of the evaluation report, the System of Consultations does not regard the Consultation meeting as an end in itself but as a continuing process leading to the development of sectoral strategies and policies and to agreement on concrete programmes of action. To that end there is a growing orientation towards subregional and subsectoral action to enable a more focused treatment of specific industrial problems. As a result, a closer interaction has been achieved between the main thrust of UNIDO activities in specific industrial sectors and those targeted by the System of Consultations.

10. Closer cooperation with the three substantive Departments is also demonstrated in the new multi-purpose approach of the Consultation meetings which are already used as forums for the Departments of UNIDO to present the activities undertaken by the Organization in the respective industrial sectors. It has been demonstrated that the System of Consultations is an excellent feeder for programme development, particularly in the case of economic cooperation among developing countries and the Industrial Development Decade for Africa as illustrated in the activities of the Leather and Leather Products Industry Panel.

11. As recommended by the evaluation, in the conduct of the meetings, a strategy has been adopted to make available the services of experts to present technical papers on selected sectors in order to facilitate the discussions during the Consultations and provide expert advice to the participants in selected areas of their interest.

12. Also, during the Consultation meetings the schedule has been rearranged to provide time for potential partners from both developed and developing countries to meet and discuss opportunities for cooperation. These initiatives have facilitated the identification of technical cooperation and investment projects.

13. In several instances the Chairman of the Consultation was involved in the preparatory meetings, as for example in the Consultation on the Capital Goods Industry with emphasis on Machine Tools held at Prague, Czechoslovakia, from 16 to 20 September 1991. The Secretariat would like to apply that practice in general, but since the Chairman is from the host country, it would have to know well in advance which would be the host country for the Consultation. A likely solution would be for the Board to suggest possible host countries along with the approval of the topics for Consultations.

14. Other recommendations or comments of a more organizational and administrative nature, given by the evaluation report, have been considered or even implemented. The comments made in the evaluation report on the constraints placed on the System of Consultations by the need for consensus in adoption of the report, as indicated in rule 48 of the rules of procedure of the System (PI/84), are fully shared.

15. As recommended by the evaluation, a plan for technical cooperation follow-up activities has been prepared by the Advisory Committees for the Consultations held in 1989, 1990 and 1991. These plans of follow-up activities, which are found in documents IDB.6/12, IDB.8/21 and IDB.9/2, have contained an indication of the lead unit responsible in the UNIDO Secretariat for the follow-up action. The plans of action have resulted in a number of technical cooperation programmes and projects as well as investment proposals being identified for further action. The plans of action are prepared following each Consultation and are also sent to UNIDO Country Directors to facilitate implementation at the national level. The international organizations most concerned with the implementation of the recommendations are also indicated in the plans of action. These have included the Food and Agriculture Organization of the United Nations and the International Labour Organisation as well as the United Nations Centre for Human Settlements (Habitat) which jointly sponsored the Consultation on building materials. The International Trade Centre UNCTAD/GATT has largely taken into consideration in its work programme the recommendations of the most recent Consultations.

16. The selection of topics for Consultations has been carried out in accordance with the recommendations of the evaluation of the System of Consultations. As requested in resolution GC.3/Res.2, paragraphs 3 and 4, for the 1992-1993 biennium the selection process has been undertaken on the basis of consultations between the Secretariat and Member States at the beginning of the preceding biennium. The main criteria as called for in the above resolution are the priorities of developing countries in the overall framework of the medium-term plan. During the preparation of the 1992-1993 programme there was considerable in-house discussion of the topics as well as of the most efficient manner for carrying out the proposed Consultations. For example, it was decided that the Regional Consultation on restructuring of the capital goods industry in Latin America and the Caribbean should be conducted in conjunction with the regional project on the capital goods industry for Latin America and the Caribbean. In selecting topics for the 1994-1995 biennium, greater emphasis has been placed on the convening of regional Consultations which could lead to increased opportunities for economic and technical cooperation among countries at the regional level. Moreover, close coordination has taken place with regional groups in order to select topics that are most relevant to the needs of the regions concerned. In addition, there has also been enhanced cooperation throughout the Secretariat in identifying subjects for Consultations, particularly relating to the priorities in the UNIDO programme of technical cooperation.

17. The evaluation of the System of Consultations has had a positive impact on the work of the System. Implementation of the recommendations of the evaluation has led to greater efficiency, increased in-house cooperation and more systematic follow-up. The evaluation recognized the suitability of the System of Consultations for making a major contribution to the development and formulation of UNIDO policies and programmes, in particular certain sectors of industry. That contribution has been enhanced through the implementation of the recommendations of the evaluation.

II. ANALYSIS OF THE POSSIBILITY OF COMBINING CONSULTATIONS WITH INVESTMENT PROMOTION MEETINGS AND THE MODALITIES OF INCREASING INDUSTRIAL PARTNERS IN CONSULTATIONS

18. The idea of increased cooperation between the activities of the System of Consultations and the investment promotion programme is welcomed. Work has been initiated to examine the practical modalities of closer interaction through various mechanisms. Since issues of Consultations do not automatically lead to investments in new plants, and since the goals of participants at Consultations are somewhat different from those of investment forums, further examination will be undertaken to identify sectors that would be most appropriate for closer cooperation or even for combining both types of meetings. As a first step the Directors of both Divisions are becoming more involved with the work of the respective Divisions. Thus the Director of the Industrial Investment Division has participated in the Second Consultation on Building Materials Industry in Athens and the Director of the System of Consultations Division is to participate in the forthcoming investment promotion meetings. Practical modalities for joint efforts will be formulated in the future as a follow-up to these exercises. As another example of this cooperation, the agenda of the forthcoming Regional Consultation on the petrochemical industry in the Arab countries includes the activities of investment promotion as an integrated component.

19. The Secretariat welcomes the suggestion of increasing the participation of industrial partners in Consultations and has been elaborating on the most efficient ways and means to ensure the achievement of that objective.

20. With that in mind, the Secretariat has been incorporating in the aide-mémoire that are attached to the invitations to the Consultations clearly defined profiles of potential participants for achieving the right composition of experts with experience in the given sector. While, in accordance with rule 23 of the rules of procedure of the System of Consultations (PI/84), it is at the discretion of the Member States to decide on the composition of the list of participants to a Consultation, nevertheless, it is in the mutual interest of Member States and UNIDO to ensure that participants with the desired profiles attend, to enable them to make substantive contributions and derive tangible benefits from those meetings. Member States should thus be encouraged to support the Secretariat's efforts by identifying participants with the required profile.

21. Another measure to promote participation of industry at Consultations has been to reduce the duration of the meetings to 3 to 4 days and to scale down procedural matters.

III. ACTION REQUIRED OF THE BOARD

22. The Board may wish to take note of the present report and provide further guidance on measures to enhance the System of Consultations.

23. Concerning possible measures to encourage the participation of businessmen at Consultations in their own capacity, the Board may wish to urge Member States to ensure that participants in Consultations meet the clearly defined profiles indicated in the aide-mémoire attached to the invitations.

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SYSTEM OF CONSULTATIONS

Programme of Consultations for the biennium 1994-1995

Proposals by the Director-General

Summary

Submits to the Board for approval proposals for six Consultations to be held in the biennium 1994-1995

CONTENTS

	Paragraphs	Page
Introduction	1 - 2	1
Chapter		
I. PROPOSED CONSULTATIONS FOR THE BIENNIUM 1994-1995	3 - 60	1
Regional Consultation on the building materials industry in Africa	7 - 16	2
Regional Consultation on the iron and steel industry in Africa	17 - 26	3
Regional Consultation on the leather and leather products industry in Asia and the Pacific	27 - 33	4
Regional Consultation on downstream petrochemical industries in Latin America and the Caribbean	34 - 43	5
Consultation on consultancy engineering services	44	6
Consultation on environmental management/cleaner technologies in the metallurgical industry	45 - 60	7
II. ACTION REQUIRED OF THE BOARD	61	8
Notes		8

Introduction

1. The Board at its sixth session had before it document IDB.6/6 in which the Director-General had proposed three topics for possible inclusion in Consultations to be held in 1994-1995. In its decision IDB.6/Dec.5, the Board decided to postpone consideration of possible topics for the 1994-1995 Consultation until its ninth session while asking the Director-General to consult with regional groups as to their priorities regarding the choice of subjects for Consultations in their respective regions.

2. The present document is submitted pursuant to that decision as well as to General Conference resolution GC.3/Res.2, paragraphs 3 and 4, which established the modalities and criteria for the selection of topics for Consultations based on the evaluation of the System of Consultations and on the recommendations of the Director-General contained in document GC.3/20. The preparation of the document has furthermore been guided by the requirements set out in paragraphs 12 and 20 of the rules of procedure of the System of Consultations (PI/84). The proposals made in the present document supersede those submitted to the Board at its sixth session in chapter II of document IDB.6/6.

I. PROPOSED CONSULTATIONS FOR THE BIENNIUM 1994-1995

3. The selection of the following topics for Consultations for the biennium 1994-1995 has been guided by:

(a) The medium-term plan of UNIDO, 1992-1997 (PBC.7/17);

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(b) The recommendations of the evaluation of the System of Consultations;

(c) Priorities of developing countries as identified in previous Consultation meetings;

(d) Informal contacts with the regional groups; and

(e) Consultations with other parts of the Secretariat.

4. In accordance with the instructions by the Board and the findings of the evaluation of the System of Consultations, emphasis is increasingly being placed on the organization of regional Consultations. Also, in order to ensure concrete results at the global Consultations suggested below, efforts were made to narrowly define the topics for presentation at those Consultations.

5. As a result, a list of eight Consultations including three Global Consultations were drawn up as follows:

- Regional Consultation on the building materials industry in Africa
- Regional Consultation on the iron and steel industry in Africa
- Regional Consultation on the impact of structural adjustment policies and privatization on small- and medium-scale enterprise development in Africa
- Regional Consultation on the leather and leather products industry in Asia and the Pacific
- Regional Consultation on downstream petrochemical industries in Latin America and the Caribbean
- Consultation on consultancy engineering services
- Consultation on environmental management/ cleaner technologies in the metallurgical industry
- Consultation on human resources development focusing on technological changes in industry

6. The mandate of the System of Consultations is to conduct six Consultations in any given biennium. Therefore the eight proposals were reduced to six as a result of the briefing of the Permanent Missions to UNIDO on 10 March 1992 as well as further in-house discussions. The following six Consultations, two global and four regional, are proposed to the Board for the biennium 1994-1995.

Regional Consultation on the building materials industry in Africa

7. The Second Consultation on the Building Materials Industry, which was held at Athens, Greece, in November 1991, 1/ recognized that the developing countries in general have not been able to satisfy the increasing demand for housing, social structures and institutional buildings. In the African context the problem is acutely felt by many Governments owing to economic difficulties that have hindered the development of this industry despite efforts made to overcome the constraints faced by those countries.

8. The Consultation also recognized that the persistent shortcomings in the production of building materials in many countries of the developing world is a serious impediment in improving housing conditions for the people. The problem is particularly severe in the urban areas as opposed to rural areas where the population has more easy access to natural inputs such as clay, stones and vegetal materials for their building needs.

9. As a result of the discussions at the Second Consultation on the Building Materials Industry, it was strongly felt that the African countries - and particularly those located in the sub-Sahara region - are particularly sensitive to the building materials subsector. Indeed, most of the delegates from the region highlighted that concrete action should be taken to address the issue as a matter of fundamental priority for Africa. The tenth meeting of the Conference of African Ministers of industry held in July 1991 at Dakar, Senegal, also gave prominence to building materials. That meeting selected the building materials industry as the central theme for the Third Africa Industrialization Day which will be celebrated at the end of 1992 within the context of African economic cooperation and integration. 2/

10. The development of this industrial subsector in Africa faces many constraints that stem from external and internal factors as a consequence of which the supply of basic materials is offset by increasing reliance on imports. In view of the current world economic situation, low return on commodity exports in addition to the high cost of borrowing capital for developing their industry, the developing countries in general - and particularly those in Africa - have the paramount necessity to rely primarily on the production of building materials through a coherent exploitation of their natural resources and availability of raw materials.

11. The exploitation of the natural resources is handicapped by the lack of industrial policy initiatives, inadequate national housing policy in addition to the lack of housing assessment and infrastructural needs in conjunction with effective production and supply capabilities. Inadequate transfer of technology packages, poor managerial skills to operate the plants efficiently and high operating costs deriving from, among others, the waste of energy in the production process due to outdated machinery and equipment are other key elements which are compounding the difficulties.

12. Both technical and financial assistance are needed to assist the developing countries in Africa in their efforts to tackle these issues and promote sustainable industrialization and competitiveness. To meet the challenge, innovative approaches would be needed from Governments, producers, decision makers, professionals and the main actors concerned with the promotion of the building materials industry in Africa.

13. In addition to human resources development and the promotion of clean and energy-efficient technologies of production, the Consultation

should give emphasis to the strengthening of the small-scale production of the low-cost building materials subsector. Reinforcing the linkages between the small-scale and the modern sectors of the building materials industry would foster a more balanced growth and a more appropriate response to market needs within the African context.

14. On the strength of this background and based on the fact that many countries in the region share comparable socio-economic characteristics and industrial capabilities, the regional Consultation for Africa is proposed with the view to identify the basic problems of the sector and to provide concrete solutions within a coherent strategy framework. The Consultation should concentrate its deliberations on how to best utilize the local resources and develop the building materials industry in the region in order to respond to the increasing needs for housing and shelter.

15. One of the main objectives of the Consultation will consist of identifying areas of assistance required to develop the industry through cooperation between the donor countries, the developing countries and the international organizations.

16. In view of the above and without prejudice to the conclusions and recommendations that might be reached by the preparatory activities, it is suggested that the following issues could be considered during the Consultation:

(a) Measures to improving cost-effective production of building materials, including new technologies to maximize the use of locally available raw materials;

(b) The formulation of appropriate strategies for quality improvement, energy savings, performance and growth of the low-cost building materials sector; and

(c) Strategies and policies for promoting and developing the building material industries in the region for closer cooperation between public and private sectors.

Regional Consultation on the iron and steel industry in Africa

17. The importance of the iron and steel industry in the context of Africa's economic development derives in part from its broad scope for forward and backward linkages to other industries and economic sectors, and in part from its potential for consuming local natural endowments of minerals, energy, and other resources. Furthermore, steel consumption per capita is recognized as a rough index of the level of industrial development and economic advancement. A high per capita steel consumption generally suggests vigorous productive activities especially in those economic sectors linked to manufacturing such as agricultural machinery, construction industry and other related domestic capital goods sectors. These are among the considerations that have led several African countries to place top priority on the development of a viable domestic iron and steel industry.

18. Although Africa's percentage share of the crude steel production of the world had generally increased during the 1980s, this amounted to only 0.56 per cent in 1987, equivalent to 4.1 million tons.* Most of this output (3.2 million tons) came from three North African producers - Algeria, Egypt and Tunisia. In fact, these countries, along with Nigeria and Zimbabwe, accounted for over 90 per cent of the production in 1987.

19. Because of the disparity between local iron and steel production and apparent consumption (0.56 per cent and about 1.50 per cent respectively), Africa has depended heavily on imports to meet its steel requirements. In 1987, imports amounted to 5.8 million tons. Given the prevailing shortage of foreign exchange, it is not surprising that steel imports have been declining, with concomitant adverse effects on general industrial activity and development. The import figure for 1990 was only 3.5 million tons.

20. As of 1988, there were 69 installed steel plants in Africa, with Nigeria and Kenya boasting the largest numerical concentrations, with 21 and 10 respectively. The aggregate crude steel-making capacity was 10.4 million tons per year, of which 6.6 million tons was in North Africa. West and Eastern/Southern Africa contributed 2.6 million and 1.0 million tons of capacity respectively. The entire capacity for flat steel production (equivalent to 2.99 million tons per year) is concentrated in North Africa. Thus, sub-Saharan Africa is totally dependent on imports for all its flat steel products demand, accounting in some cases for over 50 per cent of total national demand.

21. Whereas Africa, in the world context, is not a major producer of finished steel, it is an important source of steel-making raw materials. Africa (including South Africa) accounts for about 7 per cent of the world's iron ore reserves of 210,000 million tons. The largest reserves occur in Algeria, Côte d'Ivoire, Liberia, the Libyan Arab Jamahiriya, Mauritania, Sierra Leone, Zaire and Zimbabwe. Notwithstanding these extensive resources, only a few deposits are actually exploited. Currently, only Angola, Algeria, Egypt, Liberia, Mauritania, Morocco, Tunisia, and Zimbabwe are among the world's producers of iron ore.

22. With respect to coal, Africa accounts for about 6 per cent of the world's accessible reserves, equivalent to 34,600 million tons. The bulk of these reserves occurs in southern Africa, with Botswana and Zimbabwe accounting for the largest deposits. Other significant reserves occur in Algeria, Egypt, Morocco, Mozambique, Nigeria, Swaziland, the United Republic of Tanzania, and Zambia.

23. The growth of Africa's iron and steel industry in the 1990s and beyond in a self-reliant and competitive manner would call for measures in several directions, including rehabilitation and diversification of existing capacities, broadening of product mix regional cooperation, manpower

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* Statistics pertaining to the iron and steel industry in Africa were obtained from Industry and Development: Global Report 1989/90 (UNIDO publication, Sales No.: 89.III.E.5) and from Atlas of African Industry: Iron and Steel, UNIDO, 1989.

development initiatives and rational exploitation of existing natural resources. The purpose of the proposed Consultation is to provide a regional forum for in-depth discussions of the sector's problems and constraints, and to formulate strategies for enabling the industry's development. Such a Consultation must be broad-based, involving all the key players in the African steel industry i.e. producers, technologists, financiers, policy makers and international development institutions.

24. The need for closer cooperation in the iron and steel sector in areas like energy and raw materials consumption, reduction, rehabilitation strategies and cooperation in human resource development was again highlighted as a fundamental step towards the sustainable development of the sector at the First Workshop on Steel Plants and Rolling Mill Rehabilitation for countries of the Preferential Trade Area for Eastern and Southern African States (PTA) held at Lusaka, Zambia, in October 1991.

25. In the frame of its programme for economic cooperation among developing countries, UNIDO has been active in establishing a more coordinated approach for the identification and solution of issues constraining the sustainable development of the iron and steel industry in Africa. Within this framework, and in cooperation with the Arab Iron and Steel Union, UNIDO provided assistance in the creation in December 1991 of the African Iron and Steel Association (AISA). This institution, based at Lagos, Nigeria, will enhance inter-alia the cooperation between plants in the application of better production techniques, dissemination of technological information and introduction of energy consumption and pollution reduction techniques. The Consultation will therefore further strengthen the role of AISA and it is expected that the Association will be a key actor in the implementation of the recommendations of the regional Consultation.

26. In view of the above and without prejudice to the conclusions and recommendations that might be reached by the preparatory activities, it is suggested that the following issues could be considered during the Consultation:

(a) Role of the iron and steel industry in Africa in the context of industrial, technological and economic development;

(b) Government policies for the sector and its linkage to the development of the capital goods industry;

(c) Rehabilitation strategies and possibilities of regional cooperation;

(d) Promotion of production technologies compatible with environmental management policies and sustainable economic growth.

Regional Consultation on the leather and leather products industry in Asia and the Pacific

27. The First Consultation on the Leather and Leather Products Industry (1977) 3/ analysed the prospects for the growth of the sector and the measures needed to ensure optimum use of existing capacity for tanning and for the production of leather footwear and other leather products. The Second Consultation on the Leather and Leather Products Industry, 4/ held in 1980, examined the measures to improve the world-wide availability of raw hides and skins and problems and prospects for marketing of leather products in developing countries and recommended an International Hides and Skins Development Scheme and the establishment of a checklist for contractual agreements. The Third Consultation, 5/ held in 1984, focused on the measures to maximize the potential of the sector in developing countries and on the measures to facilitate the production and acquisition of tanning chemicals and footwear auxiliaries in developing countries. It recommended among others that UNIDO, through its Leather and Leather Products Industry Panel, should monitor the progress made towards the implementation of the recommendations agreed at the Consultations. The Panel on the Leather and Leather Products Industry at its tenth session held at Madras, India, from 4 to 8 November 1991, recommended that a Consultation meeting should be organized, preferably in South-East Asia. 6/

28. Since the early seventies, the expansion of the leather and leather products industry took place mainly in the developing countries. While the developed countries (with the exception of Italy) reduced their tanning activities and moved towards the more upstream products, certain developing countries increased their production dramatically. The reason behind this move was that certain low-wage countries, which additionally did not have to meet the stringent environmental regulations of the developed world, had a clear cost advantage in making downscale leather products. The growth in output of light bovine leather reflects the expansion of tanning activities in developing countries. While world production rose nearly 50 per cent between 1968-1971 and 1987,* developing countries nearly doubled their production, lifting their share in tanning this type of leather from one third to over 45 per cent. The fastest developments took place in Latin America and in Asia and the Pacific, together accounting for three quarters of the developing countries' output.

29. The rapid expansion of tanning activities in Asia and the Pacific was accompanied by a serious increase in pollution. The technical solution to the problem of pollution is known: there exists a wide range of low-waste processing options. However, low-waste technologies require better skilled personnel and closer technical control than conventional processing, and properly trained staff is lacking. Another problem faced by the industry is the pollutant discharge standards. The tanners are under pressure to put up a complete treatment system and meet all discharge limitations at once, instead of implementing the standards step-by-step. Advice is needed both at the entrepreneur and the government level to introduce standards without imposing a financial burden the producers cannot afford. Joint

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* Statistics pertaining to the leather and leather products industry were obtained from World statistical compendium for raw hides and skins, leather and leather footwear 1968-1987 (1989) (Food and Agriculture Organization of the United Nations publication).

effluent treatment plants are very often the best solution. However, in view of the lack of experience in designing and operating such systems, the installation of demonstration plants is very much needed.

30. During the seventies and eighties, developing countries entered aggressively the world market of shoes and also became top volume producers of leather garments. When leather athletic shoes became fashionable, the first production places were occupied by Taiwan Province and the Republic of Korea. Presently more countries of Asia - China, India, Indonesia, Pakistan and Thailand - are becoming exporters of final leather goods. While leather shoe production in developed countries as a whole stagnated between 1968-1971 and 1987, it rose by 120 per cent in developing countries bringing the developing countries' share in global output to 40 per cent. As in the case of leather as a raw material, advances in the leather shoe industry were most marked in Latin America and particularly in the Asia and Pacific region. The same holds true for international trade. Shipments from developing countries rose from 8 per cent to 40 per cent of the world total.

31. The more advanced developing countries are faced with the same problem as developed countries 15 years before: to upgrade the products at home. Upgrading products is not simply a manufacturing problem. It is essentially a marketing problem of gathering information on what is trendy, supplying sellers just-in-time and meeting the quality requirements. It is also a problem of overcoming barriers of entry and of access to suppliers of fine leathers.

32. The Consultation would be in line with the main objectives of the medium-term plan 1992-1997 (PBC.7/17) in that it would contribute to the dissemination of knowledge and experience in the selection of cleaner technologies, the establishment of emission standards and the management of effluents in the leather industry. It would also increase the awareness of the Asian countries of new technological changes in the sector. UNIDO has been providing technical assistance to various developing countries, including the Regional Africa Hides and Skins, Leather and Leather Products Improvement Scheme which covers the whole chain of activities from hides and skins improvement process to marketing of finished products. A Sectoral Programme of Pollution Control in the Tanning Industry in the South-East Asia region was launched recently.

33. In view of the above and without prejudice to the conclusions and recommendations that might be reached by the preparatory activities, it is suggested that the following issues could be considered during the Consultation:

(a) Promotion of the introduction of low-waste processing methods including utilization of by-products in the tanning industry in order to achieve ecologically sustainable development;

(b) Measures to upgrade footwear and other leather products with special emphasis on quality control, marketing problems and firm strategy;

(c) Application of modern technology such as CAD/CAM in footwear and leather products industries in developing countries.

Regional Consultation on downstream petrochemical industries in Latin America and the Caribbean

34. In recent times the petrochemical industry has created synthetic products which have provided substitutes for a number of conventional materials such as metal, natural fibre, rubber, glass, wood and paper. The synthetic materials have largely outclassed traditional materials in both performance and economy.

35. The primary source of petrochemical products is the intermediate petrochemicals (also called monomers). The conversion of bulk petrochemical products into consumer items such as plastic, rubber, fibres and industrial chemicals, is made through downstream petrochemical processing industries. Products of downstream industries find wide application in sectors such as textile, construction, agriculture, food processing, health care, automotive as well as many other sectors of national economies in Latin America and the Caribbean.

36. The share of developing countries in world consumption of petrochemicals was around 20 per cent in 1990,* with a higher rate of growth and consumption of petrochemical products expected by the turn of the century. Petrochemicals play an increasingly equally important role in the economic and social development of Latin American countries. For instance, in Mexico and Venezuela they are an important source of export earnings. Their rate of growth exceeds the general rate of growth of the gross national product several times in some countries. Investment in the sector in spite of economic hardships goes unabated.

37. The stage of development of this industry in the region varies from one country to another. In some countries (Brazil and Mexico) a certain degree of maturity has been attained in a number of petrochemical products. Sophisticated fine petrochemicals are being locally produced to serve the pharmaceutical, pesticide, electronic and other engineering industries. In other countries such as Argentina, Bolivia, Chile, Colombia and Peru, large quantities of basic and intermediate petrochemicals are being produced for processing in the local or export markets. On the other hand, a number of other smaller countries in Central America ano the Caribbean have scant prospects to establish petrochemical plants. However, they need the products of this industry for the development of their economies. Downstream petrochemical processing industries would be an ideal area for investment in these countries.

38. A new phase of expansion and government deregulation in petrochemicals in some countries of the region will make Latin America an important

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* Statistics pertaining to the petrochemical industry were obtained from Chemical Marketing Reporter, Vol. 240, No. 22, 25 November 1991; Oil and Gas Journal, Vol. 85, No. 15, 15 April 1991; Economic Commission for Europe, Report of the 1991 eighth meeting of Rapporteurs on Olefins, Statistical Tables (CHEM/R.166/Add.1 and Add.2).

global centre for petrochemicals production. The studies show that Brazil is expected to add at least 1.5 million tons of gross petrochemicals capacity by 1996. Mexico would increase its petrochemicals capacity by around 2 million tons by mid-1990s. The biggest increase is expected in Venezuela: by 1996, Venezuela's petrochemicals production will rise from 1.6 million tons to 8 million tons. Over 40 joint ventures in petrochemicals are planned in the country in the same time frame. In Argentina, government studies have identified more than $3 billion likely investment in the country's petrochemical sector in the 1990s in addition to the $450 million investment in projects under way, which will boost the value of petrochemical exports considerably.

39. Petrochemical products are among the industrial products cited in the Andean Pact Trade and Economic Agreements. Some steps have already been taken in this regard towards the harmonization of investment, production and trade policy in this sector.

40. The diversity in the level of development and hence the variety of experience acquired in the development of these industries in the various countries of the region provides an excellent prerequisite for cooperation among petrochemical producers, investors, technological innovators, industrial consumers and special equipment manufacturers in the region.

41. The three previous Consultations on the petrochemical industry were held in 1979, 1981, and 1985 7/ and the two Consultation meetings planned to be convened during the biennium 1992-1993 have concentrated on primary and intermediate petrochemicals. Although these are very important components in the chain of petrochemical development, they concern a rather limited number of countries that are rich in hydrocarbon and financial resources. The downstream petrochemical industry is vital to all countries of the world, irrespective of the level of development and availability of natural resources. A regional Consultation on this subject during the 1994-1995 biennium would be a timely contribution to the industrial development of Latin American and Caribbean countries. The Consultation would be complementary to the priorities in the Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean since downstream petrochemical industries support technological advances in the electronics industry, capital goods and the development of new materials. It would also respond to the priorities set in the medium-term plan, 1992-1997 (PBC.7/17) since it would provide an important vehicle for technology transfer and development, play a role in environmental protection, focus on the techniques of plastic, fibre and rubber production and be highly conducive to economic cooperation among developing countries and subregional cooperation as well as the pooling of financial and technological resources.

42. The broad objectives of the proposed regional Consultation for Latin America and the Caribbean would include the following:

(a) Analyse the main trends of the petrochemical industry in the context of the restructuring process taking place in the world economy;

(b) Study the prospects for the petrochemical industry in the Latin American and Caribbean region;

(c) Propose ways and means to strengthen regional and intraregional cooperation in the fields of: commercial agreements in marketing and market related fields, production complementarities, research and development, technical assistance, exchange of economic, financial and technical information;

(d) Encourage bilateral and multilateral negotiations leading to new forms of regional cooperation;

(e) Promote appropriate forms of financial mechanisms to encourage investment projects among Latin American and Caribbean countries in the petrochemical and related industries.

43. Without prejudice to the conclusions and recommendations that might be reached by the preparatory activities, it is suggested that the following issues could be considered at the regional Consultation:

(a) The integrated development of the petrochemical industry and the role of the downstream petrochemical-processing industry;

(b) Alternative routes for the development of downstream petrochemical-processing industries in response to specific economic and social conditions and objectives of Latin American and Caribbean countries;

(c) Subregional and regional cooperation in the development of the petrochemical industry in terms of both horizontal and vertical integration;

(d) Subregional and regional cooperation on pollution control in the downstream petrochemical industry with specific reference to recycling and biodegradability;

(e) Cooperation in developing national/regional capability for the manufacture of machinery, equipment and tools required by the downstream petrochemical-processing industry;

(f) Policy guidelines to be adopted by Latin American and Caribbean countries for the development of downstream petrochemical-processing industries which acts as a catalyst in overall economic and social development.

Consultation on consultancy engineering services

44. The Consultation was approved for the 1992-1993 biennium in decision IDB.6/Dec.5, but it was necessary to postpone it in order to accommodate the regional Consultation on the petrochemical industry in the Arab countries, originally scheduled for 1991 but postponed to 1992 because of the situation in the Gulf.

This adjustment was approved in decision IDB.8/Dec.33. Therefore it is proposed to hold this Consultation in the biennium 1994-1995. For details on the proposa see paragraphs 51 to 59 of document IDB.6/6.

Consultation on environmental management/ cleaner technologies in the metallurgical industry

45. The Conference on Ecologically Sustainable Industrial Development (ESID), organized by UNIDO at ministerial level and held at Copenhagen, Denmark, from 14 to 18 October 1991, 8/ discussed, inter alia, the role that UNIDO could play in reducing environmental problems and enhancing industrial efficiency by assisting developing countries in achieving the ecologically sustainable development of their different industrial sectors.

46. At the Conference it was stated that one of the major directions for possible UNIDO action in achieving ESID would be to assist the developing countries in integrating environmental considerations into their industrial strategies and policies at sectoral as well as at subsectoral level.

47. In the frame of the above Conference, technical symposiums were held on five industrial subsectors: alumina, leather, phosphate, fertilizers, plastic and plastic waste recycling and pulp paper.

48. Apart from being an instrument for the exchange of views on major issues relating to ecologically sustainable industrial development for the specific subsectors, the symposiums suggested important roles for different actors.

49. A global Consultation on specific environmental issues connected with one of the pillars of the industrialization process such as the metallurgical sector, specifically iron and steel, the aluminium and the copper production industry would be an appropriate follow-up to the ESID Conference.

50. In fact the metallurgical industry must contend with a wide range of environmental problems. It is one of the major sources of air, water and surface pollution. The gaseous, liquid and solid wastes arising from metal-producing and metal-finishing plants are difficult to trap, isolate and process at sufficiently low cost. The large variety of metallurgical processes, the size of the overall operation and the extensive amount of resources involved compound, inter alia, the magnitude of the problem.

51. For instance, for the production of a ton of crude steel, 1.7 tons of iron ore and 200-300m^3 of water are required; 50 kg of hazardous dust and about 450 kg of solid waste are generated. Similarly, the aluminium production generates extensive amounts of gases which have a high content of fluoride, carbon monoxide and alumina dust. Between 6 and 8 tons of red mud is discharged during the production of 1 ton of aluminium.*

52. In the developing countries, the environmental impact generated by the sector raises serious concern. Limitations of financial resources in many cases reduce the ability of the actors to initiate urgent measures for rehabilitation and modernization of existing plants. As a consequence, a large number of the metallurgical plants in developing countries are operated with obsolete technologies and equipment that are inefficient in terms of resource utilization, and result in a waste of valuable raw materials.

53. Nevertheless, in some plants, steps have been taken to reduce the negative impact of the pollution. Environment programmes have been included as an integral component of the metallurgical production. Many metal producers have realized that extensive improvements in reducing environmental problems can be achieved without incurring large capital investments. Pollution prevention programmes, waste minimization activities, better managerial organization of the plant and better housekeeping enable the reduction of waste products and improve the utilization of raw materials and energy. Due to the volume of resources utilized, the savings in metal and energy improve directly the productivity and therefore the competitiveness of the plant.

54. In cooperation with the regional associations of metal producers from Asia, Arab countries, Latin America and Europe, UNIDO has already initiated activities aimed at the development of regional collective environmental programmes as a cost-effective way to reduce the environmental impact of the sector in those regions with limited sources of financing.

55. The Latin American Institute of Iron and Steel, under the initiative of UNIDO, established a regional committee for environment that will coordinate the activities in the field of environment among metal producers of the region. National metal associations from Argentina, Brazil, Chile, Mexico and Venezuela are directly involved in the committee.

56. A similar activity is being developed with the South-East Asian Iron and Steel Institute. A regional conference on environmental issues entitled "Environmental control and energy-saving practice within the steel industry" will be held in Japan in April 1993. The National Iron and Steel Associations from the following countries will participate in this programme: Australia, Indonesia, Japan, Malaysia, the Philippines, the Republic of Korea, Singapore, Taiwan Province, Thailand and Viet Nam.

57. The programme with the Arab Iron and Steel Union is expected to start during the meeting entitled "Towards future development of steel industries in Arab countries" scheduled to be held in October 1992.

58. Furthermore, cooperative mechanisms have been established by UNIDO in order to ensure that the outcome from the activities in the field of environment in the metallurgical sector being conducted by other international organizations, such as the United Nations Environment Programme (UNEP), the United Nations Economic Commission for Europe (Seminar on Ecology and Metallurgy scheduled for June 1993 in Ukraine) and the Organisation for Economic Cooperation and

* Source: Aluminium Smelter Technology, A Pure and Applied Approach. K. GRJOTHEIM & WELCH, Düsseldorf, 1989.

Development, and by regional and world non-ferrous institutions (European Aluminium Association, International Primary Aluminium Institute, International Copper Association), will serve as preparatory steps towards the global Consultation.

59. In order to capitalize on the world-wide experience available in environment management in the metallurgical sector, UNIDO will coordinate and ensure an extensive participation of international and key regional organizations. In this context, a global Consultation will serve as a forum for discussions and adoption of concrete recommendations on relevant environmental issues in the metallurgical sector with the view to enhancing the dissemination of available expertise to all the parties concerned with environmental management in the sector, i.e. metal producers, government institutions and financing organizations.

60. In view of the above and without prejudice to the conclusions and recommendations that might be reached by the preparatory expert group meetings, it is suggested that the following issues could be considered during the Consultation:

(a) Policies and measures required for promoting the application of cleaner technologies;

(b) Introduction of auditing programmes including "good housekeeping" necessary for achieving efficient environmentally-oriented management control at plant level;

(c) Development of waste minimization programmes for achieving safer environmental conditions.

II. ACTION REQUIRED OF THE BOARD

61. The Board is invited to approve the programme of Consultations for the biennium 1994-1995 as outlined in chapter I above.

Notes

1/ For the report of the Consultation see document ID/380.

2/ CAMI.10/14/Rev.1, para. 51.

3/ For the report of the Consultation see ID/WG.258/9.

4/ For the report of the Consultation see ID/255.

5/ For the report of the Panel see ID/318.

6/ ID/WG.520/8(SPEC.), para. 100.

7/ For the report of the Consultations see documents ID/277, ID/273 and ID/340, respectively.

8/ For the report of the Conference see GC.4/25/Add.1.

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Ninth session
Vienna, 18-22 May 1992
Item 12 of the provisional agenda

FINANCIAL SITUATION OF UNIDO

Report by the Director-General

Summary

Provides information on the financial situation in relation to both the regular and operational budgets, including the status as of 15 March 1992 of payment of assessed contributions to the regular budget, advances to the Working Capital Fund and a cash flow analysis for 1992. In compliance with General Conference resolution GC.4/Res.27, paragraph 7, reports on the actual status of vacancies of Professional posts in each programme and on contingency measures which could be necessary in case of income shortfalls.

CONTENTS

	Paragraphs	Page
Introduction	1 - 2	1
Chapter		
I. STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET	3 - 4	1
II. CASH FLOW, 1992	5 - 8	2
III. PROFESSIONAL-LEVEL VACANCIES AND CONTINGENCY MEASURES	9 - 15	2
IV. TREATMENT OF OUTSTANDING ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET	16	3
V. ACTION REQUIRED OF THE BOARD	17	3
Annexes		
I. STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET AS AT 15 MARCH 1992		4
II. STATUS OF ADVANCES TO THE WORKING CAPITAL FUND AS AT 15 MARCH 1992		11
III. CASH FLOW ANALYSIS FOR 1992 AS AT 15 MARCH 1992		18
IV. STATUS OF PROFESSIONAL-LEVEL VACANCIES AS AT 29 FEBRUARY 1992		20

Introduction

1. During the first quarter of 1992, the status of the regular budget was primarily influenced by the delay in payments by Member States of their assessed contributions, notwithstanding the respectful efforts of several Member States to pay on time. Factors having a major impact on the operational budget were a slowdown in technical cooperation delivery and fluctuations in the exchange rate.

2. As a consequence of those factors affecting income, expenditures under the regular and operational budgets have been judiciously held below the budgeted levels for the first months of 1992 by maintaining a higher number of vacancies for Professional-level posts than budgeted and by holding back allotments for all other major objects of expenditure.

I. STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET

3. Annex I shows the status of assessed contributions to the regular budget as at 15 March 1992. As of that date, unpaid assessed contributions for the period 1986 to 1991 amounted to $5,448,294 and AS 268,460,970 (equivalent to $23,143,187 at an exchange rate of US$ 1 = AS 11.60), for a total equivalent of $28,591,481. For 1992, unpaid assessed contributions amounted to $7,178,937 and AS 749,284,421 (equivalent to $64,593,466 at an exchange rate of US$ 1 = AS 11.60), for a total equivalent of $71,772,403 or 72.81 per cent of the 1992 assessment. Unpaid advances to the Working Capital Fund amounted to $152,200 (see annex II).

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4. Total unpaid assessed contributions for the period 1986 to 15 March 1992 (including the Working Capital Fund) amount to $100,516,084 or 101.97 per cent of the 1992 assessment at US$ 1 = AS 11.60.

II. CASH FLOW, 1992

5. Annex III shows a preliminary general fund cash flow analysis for the current year, as at 15 March 1992. An update of that information will be presented in a conference room paper on the financial situation to be issued in session.

6. In the concluding comments of the Joint Inspection Unit Note on contingency margin of UNIDO (JIU/NOTE/91/2), the Inspector stated, inter alia:

> "In the view of the Inspector, the contingency margin pending the receipt of assessed contributions is in conflict with the Organization's responsibility to fully implement the programme and budget approved by the Member States. It is simply not logical that Member States, while not fulfilling their legal obligations to provide the Organization with necessary resources, hamper the Secretariat in implementing the approved programme budget;" and
>
> "The failure by Member States to meet their financial obligation to international organizations is a serious and an on-going problem within the United Nations system. The introduction of mandatory restrictions on the use of appropriations through contingency margins or withholding of appropriations increases the difficulties of the United Nations organizations in managing financial resources and implementing programmes in a planned and efficient manner."

The comments of the Inspector aptly describe the views and serious concerns of the Secretariat. The cash flow analysis presented in the present document (annex III) assumes an expenditure rate of 91 per cent of the approved appropriation, which is in line with current expenditure levels and current estimates of assessed contribution income. The revised cash flow format separates budgeted and other income and disbursement items and identifies other adjustments which affect the cash flow analysis. Budgeted income items include regular budget assessed contributions, bank interest earned and proceeds from the sale of publications. Other income items included in the general fund relate to cost reimbursements, income from special accounts and other miscellaneous income, such as refunds of prior year expenditures.

7. Budgeted disbursements show regular budget cash outflows while other disbursements identify cash outflows for cost reimbursements, special accounts, other miscellaneous disbursements and the United Nations loan.

8. It should be noted that the general fund cash flow analysis does not take into account liabilities related to the Working Capital Fund, the retained surplus or the United Nations loan.

III. PROFESSIONAL-LEVEL VACANCIES AND CONTINGENCY MEASURES

9. In annex IV, the status of Professional-level vacancies is shown as at 29 February 1992. An update of that status report will be included in the conference room paper referred to in paragraph 5 above.

10. The current financial crisis resulting from the non-payment or delayed payment of assessed contributions by Member States has led to the following contingency measures being taken in relation to the regular budget:

(a) Initial programme allotments issued for 1992 have been restricted to 85 per cent of approved appropriations;

(b) The practice of restrained recruitment has resulted in a vacancy factor on Professional posts of 13.5 per cent as at 29 February 1992.

11. The initial 1992 allotments for all major objects of expenditure are lower than the approved appropriations. For the Industrial Development Decade for Africa, regular programme of technical cooperation, consultants, ad hoc expert group meetings and staff travel, the level of allotments is approximately 40 per cent lower than the appropriations.

12. The necessity to hold back appropriations is disruptive to the functioning of the Organization and requires the management of a high vacancy factor which could seriously delay programme implementation. Should the financial situation worsen, it may be necessary to prioritize programme activities resulting in the curtailment or the elimination of certain programmes.

13. Under the operational budget, the slowdown in technical cooperation activities and the serious delay in the implementation of the new United Nations Development Programme successor arrangements are expected to have a negative impact on income expectations. As a contingency measure, a review of operational budget expenditures has been made and initial 1992 allotments under the operational budget are 17 per cent lower than estimates included in the 1992-1993 programme and budgets.

14. Notwithstanding the reductions in allotments and expenditures, a reduction of income expectations for 1992 may result in the need to utilize some of the unencumbered operational budget reserves which amounted to $4.2 million at the end of 1991 to cover current expenditures.

15. Factors such as projected technical cooperation delivery and anticipated income earnings, exchange rate movements and expenditure levels are being constantly monitored. A series of resource management conferences have been held with programme managers to update and verify technical cooperation delivery estimates and to review staffing needs in the light of the deteriorating financial situation. Additional contingency measures to be formulated as a result of the conferences will be reported on in the conference room paper referred to in paragraph 5 above.

IV. TREATMENT OF OUTSTANDING ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET

16. Discussions have taken place with the External Auditor on the treatment of outstanding contributions to the regular budget at the end of the twelve-month period following the end of the biennium, as referred to in Board decision IDB.7/Dec.7. The decision inadvertantly omitted a reference to paragraph 16 of document IDB.7/32 which would have requested the Secretariat to apply the methodology described in that paragraph in the establishment of a dollar amount equivalent to the Austrian schilling arrears. As a result, the Secretariat is without a clear mandate for the treatment of the schilling portion of the arrears. Owing to the importance of the application of that methodology for the future, a new decision is proposed to the Board for consideration that would correct the apparent oversight. The proposed wording is contained in paragraph 17 (c) below.

V. ACTION REQUIRED OF THE BOARD

17. Taking into account the information provided in the present document, the Board may wish to consider the following draft decision:

"The Industrial Development Board:

"(a) Takes note of the report of the Director-General on the financial situation of UNIDO (IDB.9/16) and in particular the information concerning the status of assessed contributions to the regular budget and advances to the Working Capital Fund, on Professional-level vacancies and contingency measures;

"(b) Urges those Member States that have not yet paid their assessed contributions to the regular budget, including advances to the Working Capital Fund, for the bienniums 1986-1987, 1988-1989 and 1990-1991, and for the year 1992, to do so without further delay;

"(c) Recalling decision IDB.7/Dec.7, paragraph (d), requests the Secretariat to apply the methodology described in paragraph 16 of document IDB.7/32 for the treatment of arrears after 31 December 1990 in respect of arrears at that date and for future bienniums."

Annex I

STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET

(As at 15 March 1992)

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992				Credits and Collections in 1992				Contributions Outstanding as at 15 March 1992					TOTAL
		Prior Years		Current Year		Prior Years		Current Year		Prior Years		Current Year		(RoE 11.60)	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
AFGHANISTAN	0.01	0	0	986	102,906	0	0	845	88,178	0	0	141	14,728	1,270	1,411
ALBANIA	0.01	148	10,856	986	102,906	148	10,856	0	0	0	0	986	102,906	8,871	9,857
ALGERIA	0.16	3,167	231,488	15,775	1,646,493	0	0	0	0	3,167	231,488	15,775	1,646,493	161,895	180,837
ANGOLA	0.01	13,882	171,842	986	102,906	0	0	0	0	13,882	171,842	986	102,906	23,685	38,553
ARGENTINA	0.55	841,967	11,513,452	55,213	5,762,726	9,900	0	0	0	832,067	11,513,452	55,213	5,762,726	1,489,325	2,376,605
AUSTRALIA	1.50	0	0	147,892	15,435,872	0	0	147,892	15,435,872	0	0	0	0	0	0
AUSTRIA	0.74	0	0	72,960	7,615,030	0	0	34,734	3,625,321	0	0	38,226	3,989,709	343,940	382,166
BAHAMAS	0.02	3,789	276,919	1,972	205,812	0	0	0	0	3,789	276,919	1,972	205,812	41,614	47,375
BAHRAIN	0.03	0	0	2,958	308,717	0	0	2,958	308,717	0	0	0	0	0	0
BANGLADESH	0.01	4,348	171,842	986	102,906	0	0	0	0	4,348	171,842	986	102,906	23,685	29,019
BARBADOS	0.01	227	16,586	986	102,906	0	0	0	0	227	16,586	986	102,906	10,301	11,514
BELARUS	0.31	19,949	1,458,313	30,564	3,190,080	359	26,222	0	0	19,590	1,432,091	30,564	3,190,080	398,463	448,617
BELGIUM	1.[illegible]	0	0	103,524	10,805,111	0	0	103,125	10,763,501	0	0	399	41,610	3,587	3,986
BELIZE	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
BENIN	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857
BHUTAN	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
BOLIVIA	0.01	307	22,476	986	102,906	0	0	0	0	307	22,476	986	102,906	10,809	12,102
BOTSWANA	0.01	8,779	171,842	986	102,906	8,779	171,842	0	0	0	0	986	102,906	8,871	9,857
BRAZIL	1.58	330,793	24,182,106	155,779	16,259,119	0	0	0	0	330,793	24,182,106	155,779	16,259,119	3,486,312	3,972,884
BULGARIA	0.13	0	0	12,817	1,337,776	0	0	174	18,206	0	0	12,643	1,319,570	113,756	126,399
BURKINA FASO	0.01	24,151	171,842	986	102,906	0	0	0	0	24,151	171,842	986	102,906	23,685	48,822
BURUNDI	0.01	1,166	85,291	986	102,906	0	0	0	0	1,166	85,291	986	102,906	16,224	18,376
CAMEROON	0.01	27	1,948	986	102,906	0	0	0	0	27	1,948	986	102,906	9,039	10,052
CANADA	3.09	236	17,217	304,657	31,797,897	236	17,217	177	18,479	0	0	304,480	31,779,418	2,739,605	3,044,085

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992				Credits and Collections in 1992				Contributions Outstanding as at 15 March 1992					TOTAL
		Prior Years		Current Year		Prior Years		Current Year		Prior Years		Current Year		(RoE 11.60)	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
CAPE VERDE	0.01	10,930	171,842	986	102,906	0	0	0	0	10,930	171,842	986	102,906	23,685	35,601
CENTRAL AFRICAN REPUBLIC	0.01	9,550	171,842	986	102,906	0	0	0	0	9,550	171,842	986	102,906	23,685	34,221
CHAD	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
CHILE	0.08	72,537	1,374,740	7,888	823,247	54,590	62,761	0	0	17,947	1,311,979	7,888	823,247	184,072	209,907
CHINA	0.76	0	0	74,932	7,820,842	0	0	349	36,413	0	0	74,583	7,784,429	671,071	745,654
COLOMBIA	0.12	0	0	10,817	1,337,776	0	0	3,576	373,301	0	0	9,241	964,475	83,144	92,385
COMOROS	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
CONGO	0.01	4,231	171,842	986	102,906	0	0	0	0	4,231	171,842	986	102,906	23,685	28,902
COSTA RICA	0.01	23,234	343,686	986	102,906	900	0	0	0	22,334	343,686	986	102,906	38,499	61,819
COTE D'IVOIRE	0.02	2,694	196,881	1,972	205,812	0	0	0	0	2,694	196,881	1,972	205,812	34,714	39,380
CUBA	0.09	19,085	1,391,534	8,874	926,152	9,261	613,358	0	0	9,824	778,176	8,874	926,152	141,753	160,451
CYPRUS	0.02	0	0	1,972	205,812	0	0	0	0	0	0	1,972	205,812	17,742	19,714
CZECHOSLOVAKIA	0.55	0	0	54,227	5,659,820	0	0	1,047	109,238	0	0	53,180	5,550,582	478,498	531,678
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.05	34,909	859,212	4,930	514,529	0	0	0	0	34,909	859,212	4,930	514,529	118,426	158,265
DENMARK	0.64	0	0	63,100	6,585,972	0	0	63,100	6,585,972	0	0	0	0	0	0
DJIBOUTI	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
DOMINICA	0.01	1,142	83,500	986	102,906	0	0	0	0	1,142	83,500	986	102,906	16,069	18,197
DOMINICAN REPUBLIC	0.02	87,870	515,528	1,972	205,812	0	0	0	0	87,870	515,528	1,972	205,812	62,184	152,026
ECUADOR	0.03	18,892	515,528	2,958	308,717	0	0	0	0	18,892	515,528	2,958	308,717	71,056	92,906
EGYPT	0.07	0	0	6,902	720,341	0	0	0	0	0	0	6,902	720,341	62,098	69,000
EL SALVADOR	0.01	17,710	171,842	986	102,906	0	0	0	0	17,710	171,842	986	102,906	23,685	42,381
EQUATORIAL GUINEA	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
ETHIOPIA	0.01	2,172	158,839	986	102,906	0	0	0	0	2,172	158,839	986	102,906	22,564	25,722

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992				Credits and Collections in 1992				Contributions Outstanding as at 15 March 1992					TOTAL
		Prior Years		Current Year		Prior Years		Current Year		Prior Years		Current Year		(RoE 11.60)	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
FIJI	0.01	12,154	171,842	986	102,906	0	0	0	0	12,154	171,842	986	102,906	23,685	36,825
FINLAND	0.56	0	0	55,213	5,762,726	0	0	55,213	5,762,726	0	0	0	0	0	0
FRANCE	5.96	0	0	587,623	61,331,866	0	0	587,623	61,331,866	0	0	0	0	0	0
GABON	0.02	41,314	515,528	1,972	205,812	19,611	0	0	0	21,703	515,528	1,972	205,812	62,184	85,859
GAMBIA	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
GERMANY	8.87	0	0	874,533	91,277,458	0	0	439,926	45,916,381	0	0	434,607	45,361,077	3,910,438	4,345,045
GHANA	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
GREECE	0.35	17,770	1,299,058	34,508	3,601,704	717	52,445	0	0	17,053	1,246,613	34,508	3,601,704	417,959	469,520
GRENADA	0.01	28,515	171,842	986	102,906	0	0	0	0	28,515	171,842	986	102,906	23,685	53,186
GUATEMALA	0.02	22,934	343,686	1,972	205,812	0	0	0	0	22,934	343,686	1,972	205,812	47,370	72,276
GUINEA	0.01	10,028	171,842	986	102,906	0	0	0	0	10,028	171,842	986	102,906	23,685	34,699
GUINEA-BISSAU	0.01	14,288	171,842	986	102,906	0	0	0	0	14,288	171,842	986	102,906	23,685	38,959
GUYANA	0.01	17,903	171,842	986	102,906	17,577	148,023	0	0	326	23,819	986	102,906	10,924	12,236
HAITI	0.01	24,555	171,842	986	102,906	0	0	0	0	24,555	171,842	986	102,906	23,685	49,226
HONDURAS	0.01	18,190	171,842	986	102,906	0	0	0	0	18,190	171,842	986	102,906	23,685	42,861
HUNGARY	0.18	0	0	17,747	1,852,305	0	0	262	27,309	0	0	17,485	1,824,996	157,327	174,812
INDIA	0.36	44,738	3,270,515	35,494	3,704,609	39,014	2,852,085	0	0	5,724	418,430	35,494	3,704,609	355,435	396,653
INDONESIA	0.16	1,376	100,606	15,775	1,646,493	1,268	92,727	0	0	108	7,879	15,775	1,646,493	142,618	158,501
IRAN (ISLAMIC REPUBLIC OF)	0.76	92,000	6,725,468	74,932	7,820,842	0	0	0	0	92,000	6,725,468	74,932	7,820,842	1,253,993	1,420,325
IRAQ	0.13	14,121	1,032,309	12,817	1,337,776	0	0	0	0	14,121	1,032,309	12,817	1,337,776	204,318	231,256
IRELAND	0.18	0	0	17,747	1,852,305	0	0	17,747	1,852,305	0	0	0	0	0	0
ISRAEL	0.23	17,662	1,291,187	22,677	2,366,834	17,430	1,274,250	0	0	232	16,937	22,677	2,366,834	205,497	228,406
ITALY	4.26	6,578	480,891	420,013	43,837,877	6,578	480,891	420,013	43,837,877	0	0	0	0	0	0
JAMAICA	0.01	2,023	147,965	986	102,906	0	0	0	0	2,023	147,965	986	102,906	21,627	24,636

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992				Credits and Collections in 1992				Contributions Outstanding as at 15 March 1992					TOTAL
		Prior Years		Current Year		Prior Years		Current Year		Prior Years		Current Year		(RpE.11.60)	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
JAPAN	12.36	0	0	1,218,628	127,191,588	0	0	0	0	0	0	1,218,628	127,191,588	10,964,792	12,183,420
JORDAN	0.01	8,607	171,842	986	102,906	0	0	0	0	8,607	171,842	986	102,906	23,685	33,278
KENYA	0.01	1,611	117,768	986	102,906	0	0	0	0	1,611	117,768	986	102,906	19,023	21,620
KUWAIT	0.25	5	387	24,649	2,572,645	5	387	345	36,008	0	0	24,304	2,536,637	218,676	242,980
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
LEBANON	0.01	10,029	171,842	986	102,906	0	0	0	0	10,029	171,842	986	102,906	23,685	34,700
LESOTHO	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
LIBERIA	0.01	2,360	171,842	986	102,906	0	0	0	0	2,360	171,842	986	102,906	23,685	27,021
LIBYAN ARAB JAMAHIRIYA	0.24	56,672	4,142,891	23,663	2,469,740	478	34,993	0	0	56,194	4,107,898	23,663	2,469,740	567,038	646,895
LUXEMBOURG	0.06	0	0	5,916	617,435	0	0	0	0	0	0	5,916	617,435	53,227	59,143
MADAGASCAR	0.01	1,465	107,155	986	102,906	0	0	0	0	1,465	107,155	986	102,906	18,109	20,560
MALAWI	0.01	5	384	986	102,906	0	0	0	0	5	384	986	102,906	8,904	9,895
MALAYSIA	0.12	0	0	11,831	1,234,870	0	0	0	0	0	0	11,831	1,234,870	106,454	118,285
MALDIVES	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857
MALI	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
MALTA	0.01	0	0	986	102,906	0	0	986	102,906	0	0	0	0	0	0
MAURITANIA	0.01	11,732	171,842	986	102,906	0	0	0	0	11,732	171,842	986	102,906	23,685	35,453
MAURITIUS	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857
MEXICO	0.87	0	0	85,777	8,952,806	0	0	5,128	535,215	0	0	80,649	8,417,591	725,654	806,303
MONGOLIA	0.01	1,175	85,921	986	102,906	0	0	0	0	1,175	85,921	986	102,906	16,278	18,439
MOROCCO	0.03	0	0	2,958	308,717	0	0	57	5,103	0	0	2,811	293,614	25,829	28,700
MOZAMBIQUE	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857
MYANMAR	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857

Annex I (cont.)

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992				Credits and Collections in 1992				Contributions Outstanding as at 15 March 1992					TOTAL
		Prior Years		Current Year		Prior Years		Current Year		Prior Years		Current Year		(RoE 11.60)	
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
NAMIBIA	0.01	0	0	986	102,906	0	0	8	868	0	0	978	102,048	8,797	9,775
NEPAL	0.01	9,540	171,842	986	102,906	0	0	0	0	9,540	171,842	986	102,906	23,685	34,211
NETHERLANDS	1.49	0	0	146,906	15,332,967	0	0	146,906	15,332,967	0	0	0	0	0	0
NEW ZEALAND	0.24	0	0	23,663	2,469,740	0	0	23,663	2,469,740	0	0	0	0	0	0
NICARAGUA	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
NIGER	0.01	17,710	171,842	986	102,906	0	0	0	0	17,710	171,842	986	102,906	23,685	42,381
NIGERIA	0.20	0	0	19,719	2,058,116	0	0	4,806	501,660	0	0	14,913	1,556,466	134,178	149,091
NORWAY	0.55	0	0	54,227	5,659,820	0	0	54,227	5,659,820	0	0	0	0	0	0
OMAN	0.03	0	0	2,958	308,717	0	0	0	0	0	0	2,958	308,717	26,614	29,572
PAKISTAN	0.06	9,859	720,740	5,916	617,435	9,859	720,740	93	9,703	0	0	5,823	607,732	52,391	58,214
PANAMA	0.02	40,472	343,686	1,972	205,812	0	0	0	0	40,472	343,686	1,972	205,812	47,370	89,814
PAPUA NEW GUINEA	0.01	185	13,515	986	102,906	0	0	0	0	185	13,515	986	102,906	10,036	11,207
PARAGUAY	0.02	34,539	515,528	1,972	205,812	0	0	0	0	34,539	515,528	1,972	205,812	62,184	98,895
PERU	0.06	67,253	1,031,056	5,916	617,435	0	0	0	0	67,253	1,031,056	5,916	617,435	142,111	215,280
PHILIPPINES	0.07	17,738	1,296,700	6,902	720,341	6,601	482,575	0	0	11,137	814,125	6,902	720,341	132,281	150,320
POLAND	0.47	0	0	46,339	4,836,573	0	0	25,792	2,691,963	0	0	20,547	2,144,620	184,881	205,428
PORTUGAL	0.20	0	0	19,719	2,058,116	0	0	0	0	0	0	19,719	2,058,116	177,424	197,143
QATAR	0.05	9,943	726,801	4,930	514,529	0	0	0	0	9,943	726,801	4,930	514,529	107,011	121,884
REPUBLIC OF KOREA	0.68	0	0	67,044	6,997,595	0	0	0	0	0	0	67,044	6,997,595	603,241	670,285
ROMANIA	0.17	162,313	3,265,008	16,761	1,749,399	1,800	0	0	0	160,513	3,265,008	16,761	1,749,399	432,276	609,550
RUSSIAN FEDERATION	9.34	593,996	43,423,140	920,873	96,114,032	9,326	681,785	0	0	584,670	42,741,355	920,873	96,114,032	11,970,292	13,475,835
RWANDA	0.01	1,139	83,300	986	102,906	0	0	0	0	1,139	83,300	986	102,906	16,052	18,177

Member State	Scale of assessment (percentage)	Contributions Payable as at 1 January 1992 — Prior Years		Contributions Payable as at 1 January 1992 — Current Year		Credits and Collections in 1992 — Prior Years		Credits and Collections in 1992 — Current Year		Contributions Outstanding as at 15 March 1992 — Prior Years		Contributions Outstanding as at 15 March 1992 — Current Year		(RoE 11.60)	TOTAL
		Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	Dollars	Schillings	$ Equiv.	$ Equiv.
SAINT KITTS AND NEVIS	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
SAINT LUCIA	0.01	0	0	986	102,906	0	0	0	0	0	0	986	102,906	8,871	9,857
SAINT VINCENT AND THE GRENADINES	0.01	9,078	171,842	986	102,906	0	0	0	0	9,078	171,842	986	102,906	23,685	33,749
SAO TOME AND PRINCIPE	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
SAUDI ARABIA	0.95	0	0	93,665	9,776,052	0	0	698	72,875	0	0	92,967	9,703,227	836,488	929,452
SENEGAL	0.01	1,474	107,778	986	102,906	0	0	0	0	1,474	107,778	986	102,906	18,162	20,622
SEYCHELLES	0.01	12,991	171,842	986	102,906	0	0	0	0	12,991	171,842	986	102,906	23,685	37,662
SIERRA LEONE	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
SOMALIA	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
SPAIN	1.98	0	0	193,245	20,169,540	0	0	193,245	20,169,540	0	0	0	0	0	0
SRI LANKA	0.01	3,005	171,842	986	102,906	0	0	0	0	3,005	171,842	986	102,906	23,685	27,736
SUDAN	0.01	9,450	171,842	986	102,906	0	0	0	0	9,450	171,842	986	102,906	23,685	34,121
SURINAME	0.01	29,290	171,842	986	102,906	0	0	0	0	29,290	171,842	986	102,906	23,685	53,961
SWAZILAND	0.01	0	0	986	102,906	0	0	986	102,906	0	0	0	0	0	0
SWEDEN	1.10	0	0	108,454	11,319,640	0	0	108,454	11,319,640	0	0	0	0	0	0
SWITZERLAND	1.15	0	0	113,384	11,834,169	0	0	100,098	10,447,477	0	0	13,286	1,386,692	119,542	132,828
SYRIAN ARAB REPUBLIC	0.04	0	0	3,944	411,623	0	0	0	0	0	0	3,944	411,623	35,485	39,429
THAILAND	0.71	0	0	10,845	1,131,864	0	0	0	0	0	0	10,845	1,131,864	97,583	108,428
TOGO	0.01	201	14,605	986	102,906	172	12,531	0	0	29	2,134	986	102,906	9,055	10,070
TONGA	0.01	1,915	140,014	986	102,906	0	0	0	0	1,915	140,014	986	102,906	20,941	23,842
TRINIDAD AND TOBAGO	0.05	2,814	205,694	4,930	514,529	0	0	0	0	2,814	205,694	4,930	514,529	62,088	69,832
TUNISIA	0.03	0	0	2,958	308,711	0	0	5	485	0	0	2,953	308,232	26,572	29,525

Annex I (cont.)

Member State	Scale of assessment (percentage)		Contributions Payable as at 1 January 1992 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Credits and Collections in 1992 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	Contributions Outstanding as at 15 March 1992 Prior Years Dollars	Prior Years Schillings	Current Year Dollars	Current Year Schillings	(Note 11.5(b)) $ Equiv.	TOTAL $ Equiv.
TURKEY	0.21		22,526	2,450,866	29,621	2,778,457	11,311	1,231,136	0	0	1,555	113,486	29,621	2,778,457	249,322	717,498
UGANDA	0.01		0	0	988	102,606	0	0	0	0	0	0	871	90,900	7,536	8,707
UKRAINE	1.11		74,523	5,447,449	114,956	12,039,980	598	61,829	0	0	73,327	5,360,540	115,956	12,039,980	1,500,045	1,668,728
UNITED ARAB EMIRATES	0.31		111,252	3,266,308	20,705	2,161,022	0	0	0	0	111,252	3,266,308	20,705	2,161,022	467,761	705,718
UNITED KINGDOM	2.98		0	0	491,001	51,247,206	0	0	135,304	14,090,737	0	0	355,697	37,156,469	3,203,134	3,569,131
UNITED REPUBLIC OF TANZANIA	0.01		1,345	98,339	988	102,606	0	0	0	0	1,345	98,339	988	102,606	11,349	19,680
UNITED STATES OF AMERICA	25.00		1,876,739	197,196,314	2,464,862	257,264,539	0	0	0	0	1,876,739	197,196,314	2,464,862	257,264,539	34,005,212	38,446,813
URUGUAY	0.04		4,723	346,293	3,944	411,623	0	0	0	0	4,723	346,293	3,944	411,623	65,252	73,919
VANUATU	0.01		2,035	146,584	988	102,606	0	0	0	0	2,035	146,584	988	102,606	21,506	24,409
VENEZUELA	0.48		0	0	46,311	5,047,385	0	0	698	83,772	0	0	47,413	4,948,613	426,605	474,018
VIET NAM	0.01		0	0	988	102,606	0	0	131	13,676	0	0	855	89,231	7,692	8,547
YEMEN	0.01		32,288	343,684	988	102,606	900	0	0	0	31,388	343,684	988	102,606	38,499	70,873
YUGOSLAVIA	3.47		106,397	1,704,846	41,410	4,322,044	598	43,704	0	0	104,799	1,661,142	41,410	4,322,044	1,033,033	1,179,242
ZAIRE	0.01		3,396	171,842	988	102,606	0	0	0	0	3,396	171,842	988	102,606	23,685	28,066
ZAMBIA	0.01		1,803	133,266	988	102,606	0	0	0	0	1,803	133,266	988	102,606	20,359	23,168
ZIMBABWE	0.07		0	0	988	102,606	0	0	87	9,103	0	0	899	93,503	8,086	8,985
TOTAL (154 States)	100.00	86-	79,512	0	0	0	0	0	0	0	79,512	0	0	0	0	79,512
		87-	101,154	0	0	0	503	0	0	0	100,651	0	0	0	0	100,651
		88-	476,506	0	0	0	30,294	0	0	0	446,211	0	0	0	0	446,211
		89-	1,227,626	0	0	0	78,027	0	0	0	1,149,599	0	0	0	0	1,149,599
		90-	482,854	35,299,044	0	0	22,225	1,624,805	0	0	460,629	33,674,239	0	0	2,902,951	3,363,580
		91-	3,329,867	243,425,877	0	0	118,175	8,639,146	0	0	3,211,692	234,786,731	0	0	20,240,236	23,451,928
		92-	0	0	9,859,460	1029058172	0	0	2,680,523	279,773,751	0	0	7,178,937	749,284,421	64,593,466	71,772,403
		T-	5,697,518	278,724,921	9,859,460	1029058172	249,224	10,263,951	2,680,523	279,773,751	5,448,294	268,460,970	7,178,937	749,284,421	87,736,653	100,363,884

1 Lithuania became a new Member State in 1991 but has not yet been assigned an assessment rate

Annex II

STATUS OF ADVANCES TO THE WORKING CAPITAL FUND

(As at 15 March 1992)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
AFGHANISTAN	0.01	900	900	0	0
ALBANIA	0.01	900	900	0	0
ALGERIA	0.16	14,400	13,500	0	900
ANGOLA	0.01	900	900	0	0
ARGENTINA	0.56	50,400	60,300	-9,900	0
AUSTRALIA	1.50	135,000	0	135,000	0
AUSTRIA	0.74	66,600	67,500	-900	0
BAHAMAS	0.02	1,800	1,800	0	0
BAHRAIN	0.03	2,700	1,800	900	0
BANGLADESH	0.01	900	900	0	0
BARBADOS	0.01	900	900	0	0
BELARUS	0.31	27,900	30,600	-2,700	0
BELGIUM	1.05	94,500	107,100	-12,600	0
BELIZE	0.01	900	900	0	0
BENIN	0.01	900	900	0	0
BHUTAN	0.01	900	900	0	0
BOLIVIA	0.01	900	900	0	0
BOTSWANA	0.01	900	900	0	0
BRAZIL	1.58	142,200	132,300	2,000	7,900
BULGARIA	0.13	11,700	13,500	-1,800	0
BURKINA FASO	0.01	900	600	0	300
BURUNDI	0.01	900	900	0	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
CAMEROON	0.01	900	900	0	0
CANADA	3.09	278,100	281,700	-3,600	0
CAPE VERDE	0.01	900	900	0	0
CENTRAL AFRICAN REPUBLIC	0.01	900	900	0	0
CHAD	0.01	900	0	0	900
CHILE	0.08	7,200	7,200	0	0
CHINA	0.76	68,400	72,000	-3,600	0
COLOMBIA	0.13	11,700	12,600	-900	0
COMOROS	0.01	900	0	0	900
CONGO	0.01	900	900	0	0
COSTA RICA	0.01	900	1,800	-900	0
COTE D'IVOIRE	0.02	1,800	1,800	0	0
CUBA	0.09	8,100	8,100	0	0
CYPRUS	0.02	1,800	1,800	0	0
CZECHOSLOVAKIA	0.55	49,500	60,300	-10,800	0
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.05	4,500	4,500	0	0
DENMARK	0.64	57,600	63,000	-5,400	0
DJIBOUTI	0.01	900	0	0	900
DOMINICA	0.01	900	900	0	0
DOMINICAN REPUBLIC	0.02	1,800	0	0	1,800
ECUADOR	0.03	2,700	2,700	0	0
EGYPT	0.07	6,300	6,300	0	0
EL SALVADOR	0.01	900	0	0	900

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
EQUATORIAL GUINEA	0.01	900	0	0	900
ETHIOPIA	0.01	900	900	0	0
FIJI	0.01	900	900	0	0
FINLAND	0.56	50,400	46,800	3,600	0
FRANCE	5.96	536,400	569,700	-33,300	0
GABON	0.02	1,800	2,700	-900	0
GAMBIA	0.01	900	0	0	900
GERMANY	8.87	798,300	853,200	-54,900	0
GHANA	0.01	900	900	0	0
GREECE	0.35	31,500	36,900	-5,400	0
GRENADA	0.01	900	900	0	0
GUATEMALA	0.02	1,800	1,800	0	0
GUINEA	0.01	900	900	0	0
GUINEA-BISSAU	0.01	900	900	0	0
GUYANA	0.01	900	900	0	0
HAITI	0.01	900	900	0	0
HONDURAS	0.01	900	900	0	0
HUNGARY	0.18	16,200	18,900	-2,700	0
INDIA	0.36	32,400	34,200	-1,800	0
INDONESIA	0.16	14,400	13,500	900	0
IRAN (ISLAMIC REPUBLIC OF)	0.76	68,400	63,000	0	5,400
IRAQ	0.13	11,700	10,800	0	900
IRELAND	0.18	16,200	16,200	0	0
ISRAEL	0.23	20,700	18,900	1,800	0

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
ITALY	4.26	383,400	363,600	19,800	0
JAMAICA	0.01	900	900	0	0
JAPAN	12.36	1,112,400	1,036,800	0	75,600
JORDAN	0.01	900	900	0	0
KENYA	0.01	900	900	0	0
KUWAIT	0.25	22,500	26,100	-3,600	0
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.01	900	900	0	0
LEBANON	0.01	900	900	0	0
LESOTHO	0.01	900	900	0	0
LIBERIA	0.01	900	900	0	0
LIBYAN ARAB JAMAHIRIYA	0.24	21,600	25,200	-3,600	0
LUXEMBOURG	0.06	5,400	5,400	0	0
MADAGASCAR	0.01	900	900	0	0
MALAWI	0.01	900	900	0	0
MALAYSIA	0.12	10,800	9,900	0	900
MALDIVES	0.01	900	900	0	0
MALI	0.01	900	0	0	900
MALTA	0.01	900	900	0	0
MAURITANIA	0.01	900	900	0	0
MAURITIUS	0.01	900	900	0	0
MEXICO	0.87	78,300	85,500	-7,200	0
MONGOLIA	0.01	900	900	0	0
MOROCCO	0.03	2,700	3,600	-900	0
MOZAMBIQUE	0.01	900	900	0	0

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
MYANMAR	0.01	900	900	0	0
NAMIBIA	0.01	900	900	0	0
NEPAL	0.01	900	900	0	0
NETHERLANDS	1.49	134,100	150,300	-16,200	0
NEW ZEALAND	0.24	21,600	21,600	0	0
NICARAGUA	0.01	900	0	0	900
NIGER	0.01	900	900	0	0
NIGERIA	0.20	18,000	18,000	0	0
NORWAY	0.55	49,500	50,400	-900	0
OMAN	0.03	2,700	1,800	0	900
PAKISTAN	0.06	5,400	5,400	0	0
PANAMA	0.02	1,800	1,800	0	0
PAPUA NEW GUINEA	0.01	900	900	0	0
PARAGUAY	0.02	1,800	1,800	0	0
PERU	0.06	5,400	5,400	0	0
PHILIPPINES	0.07	6,300	8,100	-1,800	0
POLAND	0.47	42,300	51,300	-9,000	0
PORTUGAL	0.20	18,000	16,200	0	1,800
QATAR	0.05	4,500	4,500	0	0
REPUBLIC OF KOREA	0.68	61,200	19,800	0	41,400
ROMANIA	0.17	15,300	17,100	-1,800	0
RUSSIAN FEDERATION	9.34	840,600	910,800	-70,200	0
RWANDA	0.01	900	900	0	0
SAINT KITTS AND NEVIS	0.01	900	0	0	900

Annex II (cont.)

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
SAINT LUCIA	0.01	900	900	0	0
SAINT VINCENT AND THE GRENADINES	0.01	900	900	0	0
SAO TOME AND PRINCIPE	0.01	900	0	0	900
SAUDI ARABIA	0.95	85,500	92,700	-7,200	0
SENEGAL	0.01	900	900	0	0
SEYCHELLES	0.01	900	900	0	0
SIERRA LEONE	0.01	900	0	0	900
SOMALIA	0.01	900	0	0	900
SPAIN	1.96	176,400	178,200	-1,800	0
SRI LANKA	0.01	900	900	0	0
SUDAN	0.01	900	900	0	0
SURINAME	0.01	900	0	0	900
SWAZILAND	0.01	900	900	0	0
SWEDEN	1.10	99,000	110,700	-11,700	0
SWITZERLAND	1.15	103,500	98,100	5,400	0
SYRIAN ARAB REPUBLIC	0.04	3,600	3,600	0	0
THAILAND	0.11	9,900	9,000	0	900
TOGO	0.01	900	900	0	0
TONGA	0.01	900	900	0	0
TRINIDAD AND TOBAGO	0.05	4,500	4,500	0	0
TUNISIA	0.03	2,700	2,700	0	0
TURKEY	0.27	24,300	28,800	-4,500	0
UGANDA	0.01	900	900	0	0
UKRAINE	1.17	105,300	114,300	-9,000	0

Member State	Scale of assessment (percentage)	Amount of Advance	Collections 1986-1991	Collections in 1992	Amount outstanding to date
			(in US dollars)		
UNITED ARAB EMIRATES	0.21	18,900	17,100	0	1,800
UNITED KINGDOM	4.98	448,200	442,800	5,400	0
UNITED REPUBLIC OF TANZANIA	0.01	900	900	0	0
UNITED STATES OF AMERICA	25.00	2,250,000	2,250,000	0	0
URUGUAY	0.04	3,600	3,600	0	0
VANUATU	0.01	900	900	0	0
VENEZUELA	0.49	44,100	52,200	-8,100	0
VIET NAM	0.01	900	900	0	0
YEMEN	0.01	900	1,800	-900	0
YUGOSLAVIA	0.42	37,800	42,300	-4,500	0
ZAIRE	0.01	900	900	0	0
ZAMBIA	0.01	900	900	0	0
ZIMBABWE	0.01	900	1,800	-900	0
Sub-total (154 States)	100.00	9,000,000	8,988,900	-141,100	152,200
T O T A L (154 States)	100.00	9,000,000	8,988,900	-141,100	152,200

1. Lithuania became a new Member State in 1991 but has not yet been assigned an assessment rate.

Annex III

CASH FLOW ANALYSIS FOR 1992, AS AT 15 MARCH 1992

General Fund and Working Capital Fund

(In millions of United States dollars) a/

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Opening cash b/	9.6	7.4	12.7	16.1	12.9	10.3	7.4	0.4	5.9	(0.6)	(7.0)	15.2
Revaluation c/	0.2	(0.2)	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net opening cash	9.8	7.2	12.2	16.1	12.9	10.3	7.4	0.4	5.9	(0.6)	(7.0)	15.2
Contribution income d/												
1988-1989	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1990-1991	0.5	0.5	0.2	4.2	0.2	0.2	0.2	0.2	0.2	0.2	10.9	0.2
1992-1993	3.9	12.7	11.9	0.9	5.5	5.1	0.6	12.2	0.1	0.2	18.1	1.2
Budgeted income e/	0.4	1.2	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.1	0.1
Other income f/												
Cost reimbursements	0.2	0.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5
Income from CM,OA,GK,TE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decrease in net receivables g/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interfund (due from other funds) h/	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total incoming cash	6.1	14.8	13.6	6.6	7.1	6.8	2.3	13.8	1.9	2.0	30.6	3.0
Budgeted disbursements												
Prior biennium	(1.6)	(1.6)	(1.5)	(1.5)	(1.4)	(1.4)	0.0	0.0	0.0	0.0	0.0	0.0
Current biennium	(5.2)	(5.3)	(6.8)	(6.9)	(6.9)	(6.9)	(6.9)	(6.9)	(6.9)	(6.9)	(6.9)	(6.9)
Other disbursements i/												
Cost reimbursements	(1.1)	(1.1)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(1.5)
United Nations loan	0.0	0.0	0.0	0.0	0.0	0.0	(1.0)	0.0	0.0	0.0	0.0	0.0
Disbursements CM,OA,GK,TE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interfund (due to other funds) j/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase in net receivables g/	(0.6)	(1.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total outgoing cash	(8.5)	(9.3)	(9.7)	(9.8)	(9.7)	(9.7)	(9.3)	(8.3)	(8.4)	(8.4)	(8.4)	(8.4)
Closing cash k/	7.4	12.7	16.1	12.9	10.3	7.4	0.4	5.9	(0.6)	(7.0)	15.2	9.8
Liabilities other funds l/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.7)
Net closing cash m/	7.4	12.7	16.1	12.9	10.3	7.4	0.4	5.9	(0.6)	(7.0)	15.2	9.1
Unliquidated obligations at 31/12/92 (anticipated)												(9.0)
Surplus/(deficit) at 31/12/92												0.1

Notes for cash flow analysis

a/ Based on exchange rate of US$ 1 = AS 11.60 for the period March to December 1992.

b/ Opening cash - Shows actual cash available for January - March 1992 based on reconciled balances for RB, XP and WC bank accounts and projections of cash available for the remainder of 1992.

c/ Revaluation - Change in value of Austrian schilling accounts in dollar terms.

d/ Contribution income - Divided into bienniums; Austrian schilling contributions are converted into the United States dollar equivalent at the applicable United Nations rate of exchange.

e/ Budgeted income - Includes interest earned on bank accounts and investments, income from sale of publications and other miscellaneous income, such as refunds of prior biennium expenditures.

f/ Other income - Includes payments from UNOV and IAEA for costs incurred on their behalf and income from CM, OA, GK and TE.

g/ Decrease/increase in net receivables - Net movement between accounts receivable and accounts payable; includes movement in VAT accounts.

h/ Interfund - Reimbursement from other funds for expenditures incurred on their behalf in previous month.

i/ Other disbursements - Includes costs incurred on behalf of UNOV and IAEA, CM, OA, GK and TE disbursements and the United Nations loan.

j/ Interfund - Net amount paid out of regular budget funds for expenditures incurred on behalf of other funds.

k/ Closing cash - Total cash in RB, XP and WC bank accounts.

l/ Liabilities other funds - Cash belonging to CM, OA, GK.

m/ Net closing cash - Actual cash available in regular budget and Working Capital Fund.

Abbreviations

CM	Account code: UNIDO Computer Model for Feasibility Analysis and Reporting (COMFAR)
GK	Account code: garage administration
IAEA	International Atomic Energy Agency
OA	Account code: UNOV reimbursement for electronic data-processing services
RB	Account code: regular budget
TE	Account code: tax equalization
UNOV	United Nations Office at Vienna
VAT	Value added tax
WC	Account code: working capital
XP	Account code: regular programme for technical cooperation

Annex IV

STATUS OF PROFESSIONAL-LEVEL VACANCIES AS AT 29 FEBRUARY 1992

	Programme	Regular budget			Operational budget			Total		
		Posts approved (1)	Staff on board (2)	Vacant posts (1-2)	Posts approved (3)	Staff on board (4)	Vacant posts (3-4)	Posts approved (5)	Staff on board (6)	Vacant posts (5-6)
210	Executive Direction and Management	17	15	2	4	3	1	21	18	3
310	Office of DDG, PPD	2	3	-1				2	3	-1
320	Special Measures and Activities	10	10		16	10	6	26	20	6
330	Area Programmes	38	35	3	9	9		47	44	3
340	Industrial Policy and Perspectives	34	29	5	4	5	-1	38	34	4
350	Industrial Co-operation and Funds Mobilization	14	13	1	7	9	-2	21	22	-1
410	Office of DDG, IPCT	3	3					3	3	
420	Industrial Investment	12	11	1	4	4		16	15	1
430	System of Consultations	16	12	4	1	1		17	13	4
440	Industrial Technology Promotion	12	14	-2	1	1		13	15	-2
450	Industrial Technology Development	11	8	3	2	2		13	10	3
510	Office of DDG, DIO	10	10		1	1		11	11	
520	Industrial Operations Technology	49	45	4	9	5	4	58	50	8
530	Industrial Institutions and Services	35	28	7	6	6		41	34	7
540	Industrial Operations Support	26	22	4	11	8	3	37	30	7
710	Office of DDG, EPL	2	2					2	2	
720	External Relations	12	11	1				12	11	1
730	Language and Documentation	54	41	13				54	41	13
740	Public Relations and Information	3	2	1				3	2	1
810	Office of DDG, DA	6	4	2				6	4	2
820	Personnel Services	10	9	1	1	1		11	10	1
830	Financial Services	12	11	1	1	1		13	12	1
840	General Services	11	8	3	8	8		19	16	3
850	Management Information Services	7	5	2	8	7	1	15	12	3
TOTAL UNIDO		406	351	55	93	81	12	499	432	67
Vacancy rate in per cent			13.5			12.9			13.4	

Distr.
GENERAL

IDB.9/17
19 May 1992

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Industrial Development Board

Ninth session
Vienna, 18-22 May 1992
Agenda item 17

APPOINTMENT OF DEPUTY DIRECTORS-GENERAL

Note by the Director-General

1. The post of deputy director-general for the Department for Programme and Project Development became vacant on 1 April 1992, while those of the Department of Industrial Operations and the Department for Industrial Promotion, Consultations and Technology will become vacant on 31 May 1992.

2. In compliance with Article 11.5 of the Constitution and Board decision IDB.1/Dec.11 and annex, and taking into consideration the panel of names submitted, the Director-General recommends to the Board for approval the appointment for 18 months effective 1 July 1992 of the following:

(a) Mr. Werner Ernst Behrens (Germany) as deputy director-general to head the Department for Programme and Project Development;

(b) Mr. Mauricio de Maria y Campos (Mexico) as deputy director-general to head the Department of Industrial Operations;

(c) Mr. Evgenjevich Ernest Obminski (Russian Federation) as deputy director-general to head the Department for Industrial Promotion, Consultations and Technology.

3. Curricula vitae of the candidates are contained in the annex to the present document.

4. The allocation of budgets described in the programme and budgets, 1992-1993 (GC.4/42), includes the financing of the posts of deputy directors-general heading the aforementioned departments (ibid., p. 73, subprogramme 310; p. 164, subprogramme 510; and p. 117, subprogramme 410, respectively). The assessable salaries and allowances of the deputy directors-general shall be governed by the Staff Regulations and Rules of UNIDO.

Action required of the Board

5. The Board is invited to consider the adoption of the following draft decision:

"The Industrial Development Board, in compliance with Article 11.5 of the Constitution of UNIDO and Board decision IDB.1/Dec.11 of 15 November 1985, having considered the recommendation by the Director-General of candidates for the posts of deputy directors-general for the Department for Programme and Project Development, the Department of Industrial Operations and the Department for Industrial Promotion, Consultations and Technology approves the appointment of the following Deputy Directors-General for a period of 18 months starting 1 July 1992 to head the following departments:

Deputy Directors-General	Department
Mr. Werner Ernst Behrens (Germany)	Department for Programme and Project Development
Mr. Mauricio de Maria y Campos (Mexico)	Department of Industrial Operations
Mr. Evgenjevich Ernest Obminski (Russian Federation)	Department for Industrial Promotion, Consultations and Technology."

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Annex

CURRICULUM VITAE

WERNER ERNST BEHRENS

Date of birth: 20 February 1935

Employment History

1991-Present

Director, Financial Services Division, United Nations Industrial Development Organization (UNIDO), Vienna

Responsible for the overall management of the Division in the preparation and submission of biennial programme budgets to the policy-making organs of UNIDO; for the planning of expenditure on activities financed from all resources; for the formulation, recommendation and application of the financial policies of UNIDO in response to action taken by its policy-making organs; for the receipt and ensuring of safe custody of and disbursement of all financial resources made available to the Organization; and for the accounting and reporting to the appropriate bodies on the use of such resources.

1990-1991

Director, Industrial Operations Support Division and Head, Feasibility Studies Branch, UNIDO, Vienna

Responsible for the overall management of the Division including the preparation of budgets, work programmes, establishment of technical cooperation delivery and expert recruitment targets as well as the planning and utilization of human and financial resources of the Division. As Head of the Feasibility Studies Branch, was responsible inter alia for the management, overall design, planning and implementation of technical cooperation projects in line with UNDP/UNIDO and donor country standards, expansion of UNIDO's project preparation facility by raising funds for pre-investment studies.

1980-1990

Acting Head (1980-1981) then Head, Feasibility Studies Section and later Branch, UNIDO, Vienna

Responsible for the development and improvement of the UNIDO methodology for pre-investment studies and related software; for the assistance to other branches in the application of UNIDO methodology and standards in all projects with a pre-investment component; for the development and implementation of special project to install COMFAR systems, including software and the provision of related training; for the initiation and organization of seminars on the UNIDO methodology on pre-investment analysis of projects at UNIDO Headquarters and in the field.

1976-1980

Industrial Development Officer (until 1977) then Senior Industrial Development Officer, Global and Conceptual Studies Section, UNIDO

Responsible for the major segments of the Section's work programme which was concerned with research studies and supporting activities designed to help achieve the objectives for industrial development set forth in the Lima Declaration and Plan of Action.

1969-1975

Industrial Development Officer, Industrial Programming Section, Industrial Policies and Programming Division, UNIDO, Vienna

Performed various activities such as technical assistance, research programmes and various special assignments.

1966-1969

Siemens A.G., Central Personnel Department, Munich, Germany

In charge of management development and curriculum planning, both for domestic and overseas operations; promotion of new legislative initiatives in Germany and the European Community in the field of human resource development.

1962-1966

Director, Foreign Students' Academic Service and Lecturer in Economics, University of Erlangen-Nuernberg, Erlangen, Germany

In charge of academic and social counselling programmes for some 1,100 foreign students; lecturer in economics, administered the budget of the Foreign Students' Academic Service including scholarship funds for foreign students.

1960-1961

Economist, Siemens A.G., Erlangen, Germany

In charge of research on planning and investment activities of the company, including feasibility studies for the company's operations outside Germany (Portugal, Pakistan and India).

Education

Ph.D., Economic Development, University of Erlangen-Nuerenberg, Erlangen, Germany, 1965
M.A., Economic Development, University of Colorado, Boulder, Colorado, USA, 1960

CURRICULUM VITAE

MAURICIO DE MARIA Y CAMPOS

Date of birth: 13 October 1943

Employment History

1989-Present

Executive Vice-President, Banco Mexicano SOMEX and Division Director, Informatics and Marketing, Banca de Menuedo, Mexico City, Mexico

In charge of strategic planning, economic studies, marketing, advertising and new product development (1989-1990). As of 1990 performs additional duties in the fields of informatics and systems as well as retail

banking (including small business financing, credit cards and other consumer credits). Member of the board of several financial companies including fiscal warehouses, trading companies and investment funds involved in leasing and factoring.

1982-1988

Vice-Minister of Industrial Development, Ministry of Trade and Industry, Mexico City, Mexico

In charge of industrial policy formulation, implementation and administration; was responsible for three sectoral departments (foreign investment, transfer of technology and industrial property and standards); supervised directly industrial research activities and metrology.

1976-1982

Director General, Fiscal Promotion, Ministry of Finance, Mexico City, Mexico

Responsible for policy formulation, implementation and administration of tax incentives for industry, trade, technology, infrastructure development, tourism and agriculture.

1974-1976

Director-General, Foreign Investment, Ministry of Trade and Industry

In charge of policy formulation, implementation and promotion of foreign investment including registration and approval of foreign direct investment, analysis of investment trends and incentives and promotion mechanisms.

1973-1974

Deputy Director for Evaluation, General Directorate of Technology Transfer, Ministry of Trade and Industry, Mexico City, Mexico

Responsible for the appreciation of technology law, assessment and approval of licensing, technical assistance and engineering services agreements; assumed overall responsibility for economic and financial analysis of technology and joint venture contracts.

Education

Master of Arts, Development Economics, University of Sussex, Brighton, Sussex, United Kingdom, 1969.

Licenciatura, Economics, Universidad Nacional, Mexico City, Mexico, 1967.

CURRICULUM VITAE

ERNEST EVGENJEVICH OBMINSKI

Date of birth: 19 September 1931

Employment History

1988-Present

Deputy Foreign Minister/Ambassador, Ministry of Foreign Affairs, Union of Soviet Socialist Republics, Russian Federation, Moscow

Supervises the country's international activities in the field of economy and technology; coordinates the activities in respect of international economic and scientific-technical organizations.

1986-1988

Chief, Department of International Economic Relations, Ministry of Foreign Affairs, USSR, Moscow

Prepared proposals to international fora and negotiations on economic and scientific-technical issues; participated in various international conferences; assured coordination with other governmental bodies.

1984-1986

Deputy Director, Institute of International Labour Studies, Moscow

Prepared analytical studies on economic and technological development and its impact on labour in developing countries.

1983-1984

Chief, Department of Developing Countries, Institute of World Economy and International Relations, Moscow

Planned and conducted analytical work of the Department; represented the views of the Institute on the problems of developing countries.

1979-1983

Permanent Representative of the USSR to the Economic and Social Council for Asia and the Pacific (ESCAP), Bangkok

Represented the views of the USSR on problems of the ESCAP region; participated in various meetings and seminars on economic and scientific-technological issues.

1974-1979

Pro-rector, Chief of the Chair of International Economic and Scientific-Technological Relations

and Professor, Diplomatic Academy, Ministry of Foreign Affairs of the USSR, Moscow

Supervised the Chair's activities and personally participated in lecturing, conducting of seminars and writing manuals and textbooks.

1969-1974

Economic Affairs Officer, United Nations Conference on Trade and Development (UNCTAD), Geneva

Analysed trade structures with emphasis on the developing countries and technical and other non-tariff barriers in the developed and socialist countries.

1958-1969

Lecturer/Assistant Professor, Institute of International Relations, Moscow

Gave lectures and organized seminars.

1953-1958

Senior Referent, USSR Sports Committee, Moscow

Prepared business letters in foreign languages concerning financial and other conditions of international sports events.

Education

Candidate/Doctor, International Division of Labour and Industry, Moscow State Institute of International Relations, Moscow, 1962

Diploma, International Economic Relations, Moscow State Institute of International Relations, Moscow, 1953

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United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Ninth session
Vienna, 18-22 May 1992

LISTS OF STATES INCLUDED IN ANNEX I TO THE CONSTITUTION OF UNIDO

Note by the Secretariat

1. Reference is made to the Lists of States included by the Depositary in Annex I to the Constitution of UNIDO, contained in document UNIDO/GC.1/3. According to Annex I to the Constitution, the Lists of States to be included by the Depositary (Secretary-General of the United Nations) in that Annex are the lists determined by the General Assembly of the United Nations for the purpose of section II, paragraph 4, of General Assembly resolution 2152 (XXI), as in effect on the date the Constitution entered into force, namely on 21 June 1985.

2. As of 15 May 1992, 156 States had become Members of UNIDO. Of these, 155 are shown in the Lists of States to be included by the Depositary in Annex I to the Constitution (see overleaf). One Member State, Armenia, which acceded to the Constitution of UNIDO on 12 May 1992, is not included in any of these lists. Pursuant to paragraph 1 of that Annex, if a State not listed in any of those lists becomes a Member of UNIDO, the General Conference shall decide, after appropriate consultations, in which of those lists it is to be included. The matter will be brought to the attention of the Conference at its fifth session.

3. The present note supersedes document GC.4/49/Rev.2.

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A. States from List A of document UNIDO/GC.1/3

Afghanistan
Algeria
Angola
Bahrain
Bangladesh
Benin
Bhutan
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
China
Comoros
Congo
Côte d'Ivoire
Democratic People's Republic of Korea
Djibouti
Egypt
Equatorial Guinea
Ethiopia
Fiji
Gabon
Gambia
Ghana
Guinea
Guinea-Bissau
India
Indonesia
Iran (Islamic Republic of)
Iraq
Israel
Jordan
Kenya
Kuwait
Lao People's Democratic Republic
Lebanon
Lesotho
Liberia
Libyan Arab Jamahiriya
Madagascar
Malawi
Malaysia
Maldives
Mali
Mauritania
Mauritius
Mongolia
Morocco
Mozambique
Myanmar
Namibia
Nepal
Niger
Nigeria
Oman
Pakistan
Papua New Guinea
Philippines
Qatar
Republic of Korea
Rwanda
Sao Tome and Principe
Saudi Arabia
Senegal
Seychelles
Sierra Leone
Somalia
Sri Lanka
Sudan
Swaziland
Syrian Arab Republic
Thailand
Togo
Tonga
Tunisia
Uganda
United Arab Emirates
United Republic of Tanzania
Vanuatu
Viet Nam
Yemen
Yugoslavia
Zaire
Zambia
Zimbabwe

B. States from List B of document UNIDO/GC.1/3

Australia
Austria
Belgium
Canada
Cyprus
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Japan
Luxembourg
Malta
Netherlands
New Zealand
Norway
Portugal
Spain
Sweden
Switzerland
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

C. States from List C of document UNIDO/GC.1/3

Argentina
Bahamas
Barbados
Belize
Bolivia
Brazil
Chile
Colombia
Costa Rica
Cuba
Dominica
Dominican Republic
Ecuador
El Salvador
Grenada
Guatemala
Guyana
Haiti
Honduras
Jamaica
Mexico
Nicaragua
Panama
Paraguay
Peru
Saint Kitts and Nevis
Saint Lucia
Saint Vincent and the Grenadines
Suriname
Trinidad and Tobago
Uruguay
Venezuela

D. States from List D of document UNIDO/GC.1/3

Albania
Bulgaria
Belarus
Czechoslovakia
Hungary
Lithuania
Poland
Romania
Russian Federation
Ukraine

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Agenda item 18

INFORMATION ON ONE INTERGOVERNMENTAL ORGANIZATION WISHING TO ENTER INTO AGREEMENT WITH UNIDO

Information on one intergovernmental organization not in the United Nations system

Note by the Director-General

Summary

Provides information on an intergovernmental organization (League of Arab States) that has expressed the wish to enter into an appropriate relationship agreement with UNIDO.

1. Article 19.1 (a) of the Constitution stipulates that the Director-General may, with the approval of the Board and subject to guidelines established by the Conference, "enter into agreements establishing appropriate relationships with ... intergovernmental and governmental organizations". The Guidelines (decision GC.1/Dec.41, annex, paras. 8 and 9) put forward that the Director-General shall circulate among the members of the Board information on intergovernmental and governmental organizations wishing to enter into agreements with UNIDO; upon approval of the Board, the Director-General shall conclude appropriate relationship agreements with the organizations concerned.

2. Information concerning the League of Arab States, which has expressed the wish to enter into an appropriate relationship agreement with UNIDO, is contained in the annex to the present document.

ACTION REQUIRED BY THE BOARD

3. The Board may wish to authorize the Director-General, in accordance with General Conference decision GC.1/Dec.41, annex, paragraph 9, to conclude an appropriate relationship agreement with the League of Arab States based on the information contained in the annex to the present document.

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Annex

LEAGUE OF ARAB STATES (LAS)

Historical background

Established in March 1945 at Cairo, Egypt, when the Charter of the League of Arab States was signed by representatives of the then seven independent Arab States. A complementary treaty, entitled "Treaty for Common Defence and Economic Cooperation among Member States of the Arab League" was adopted in June 1950.

Purpose

Strengthens links between member States, coordinates their political plans, safeguards their independence and their sovereignty and promotes cooperation in: economic and financial matters, including trade, customs, monetary, agricultural and industrial questions; railways, roads, air and sea connections, post and telecommunications; cultural affairs, questions relating to nationality, passports, visas, execution of judicial sentences and extradition of criminals; social affairs; and health questions.

Structure

Ministerial Council
Secretariat General
Economic and Social Council
Joint Defence Council
Specialized Ministerial Councils

Membership

Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libyan Arab Jamahiriya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen.

Activities

Exchange of documentation and information
Joint technical cooperation programmes/projects
Attendance at relevant meetings

Relations with other intergovernmental and governmental organizations

Economic and Social Council, Food and Agriculture Organization of the United Nations, International Civil Aviation Organization, International Labour Organisation, International Organization for Migration, Organization of American States, Organization of African Unity, United Nations Conference on Trade and Development, United Nations Educational, Scientific and Cultural Organization, World Health Organization, World Intellectual Property Organization, World Meteorological Organization and several others.

Relations with international non-governmental organizations

Numerous contacts with non-governmental organizations.

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